

JPRS-SSA-86-046

18 APRIL 1986

# Sub-Saharan Africa Report



FOREIGN BROADCAST INFORMATION SERVICE

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18 April 1986

## SUB-SAHARAN AFRICA REPORT

## CONTENTS

## INTER-AFRICAN AFFAIRS

'Triangular Aid' Promoted as Method of Food Distribution (Charles J. Diodj; AFRICA, Dec 85) .....	1
OMVS Ministers End Meeting; Communique Issued (Bamako Domestic Service, 19 Mar 86) .....	5
10-Year History of CEAO Reviewed (PANA, 23 Mar 86) .....	6
<b>Briefs</b>	
UMOA Council Meets	10

## ANGOLA

Party Official Closes National Party Meeting (PANA, 2 Apr 86) .....	11
Envoy To Zaire Meets Foreign Ministry Officials (Luanda Domestic Service, 2 Apr 86) .....	12

## GHANA

<b>Briefs</b>	
Military Uniforms From Bulgaria	13

## LIBERIA

PUL Urges Release of Journalist, Students (ELWA, 27 Mar 86) .....	14
<b>Briefs</b>	
Hospital Agreement With China	15

## MOZAMBIQUE

MNR Sets Tougher Terms for Settlement (THE STAR, 2 Apr 86) .....	16
Figures in Top-Level Government Shake-Up Described (THE CITIZEN, 31 Mar 86) .....	17
Peasant Cooperatives Hold General Assembly in Maputo (NOTICIAS, 14 Mar 86) .....	19
Recently Passed Labor Law Published (NOTICIAS, 15 Mar 86) .....	23
New Salt-Processing Equipment in Operation (NOTICIAS, 18 Mar 86) .....	25
<b>Briefs</b>	
Wheat From Spain	27
UNHCR Delegation	27
USSR Donation	27

## NIGERIA

Agricultural Policy, Privatization of Government Firms (Lagos Domestic Service, 2 Apr 86) .....	29
--	----

## TANZANIA

President Mwinyi Visits Coast Region (James Mwakisyala; DAILY NEWS, 26 Mar 86) .....	30
Bulgaria, China Pledge Support (DAILY NEWS, 26 Mar 86) .....	31
Canada Provides Grant for Oil Exploration (Zephania Musendo; DAILY NEWS, 22 Mar 86) .....	32
Night Flights to Zanzibar Suspended (DAILY NEWS, 22 Mar 86) .....	34
Ambitious National Rice Program Underway (DAILY NEWS, 22 Mar 86) .....	35
Fifty Valmet Tractors Exported to Sudan (DAILY NEWS, 25 Mar 86) .....	37
<b>Briefs</b>	
SIDA Donation	39
Water Supply for Dar	39
Ruvuma Police Impound Guns	39
Canada To Help Mbeya Region	39

## SOUTH AFRICA

### AFRIKANER/GOVERNMENT

Government Reexamines Law on Bannings, Detentions (THE STAR, 24 Mar 86) .....	40
UNITA Officers Attend SADF 32 Battalion Anniversary (THE CITIZEN, 31 Mar 86) .....	41
Origins of Unit, by Keith Abendroth	41
UNITA Officers' Praise	42
Treurnicht Warns on 'Own Affairs' (THE CITIZEN, 27 Mar 86) .....	43
White Education Under 'Own Affairs' Cabinet (Brian Stuart; THE CITIZEN, 31 Mar 86) .....	44
Police Say ANC Organizing Car Thefts (THE STAR, 24 Mar 86) .....	45
AHI President Gives Priority to Boosting Economic Growth (THE CITIZEN, 31 Mar 86) .....	46
Construction of Diplomatic Mission in Mozambique Begins (John D'Oliveira; THE STAR, 25 Mar 86) .....	48
<b>Briefs</b>	
Senior Military Promotions	49

### BLACKS

All Race Small Business Forum Opened in Johannesburg (CITY PRESS, 23 Mar 86) .....	50
Five Non-Racial Secondary Schools Being Established by NEST (CITY PRESS, 23 Mar 86) .....	51
Black Homes Sales Soar Despite Unrest (Winnie Graham; THE STAR, 29 Mar 86) .....	52
Port Elizabeth Blacks Mourn SACP Leader (THE CITIZEN, 1 Apr 86) .....	53
<b>Briefs</b>	
Coca-Cola Fund for Blacks	54

### SOCIOLOGICAL/OTHER

Possibility of Pik Botha for State President Presented (David Braun; THE STAR, 29 Mar 86) .....	55
--	----

Correspondent Summarizes Events in Parliament (David Braun; THE STAR, 2 Apr 86) .....	57
Commentary Views Failure of Machel's Socialist Politics (Johannesburg International Service, 2 Apr 86) .....	59
Commentator on Troubles Facing COSATU (Kanthan Pillay; POST NATAL, 26-29 Mar 86) .....	61
Commentator on Inkatha's Challenge of COSATU (Kanthan Pillay; POST NATAL, 26-29 Mar 86) .....	63
'People's Education' System Seen as Emerging From NECC (Susan Pleming; THE STAR, 1 Apr 86) .....	64
Commentary Criticizes NECC 'Political Agenda' (Johannesburg Domestic Service, 1 Apr 86) .....	66
PFP Money-Raising Campaign To Boost Membership (David Braun; THE STAR, 24 Mar 86) .....	68
<b>INDUSTRIAL/S&amp;T</b>	
Commentary Discusses Implications of Oil Glut (Johannesburg Domestic Service, 2 Apr 86) .....	69
ASSOCOM Says Business Confidence Index Falls (SAPA, 1 Apr 86) .....	71
Country's Trade Surplus Increases in February (SAPA, 2 Apr 86) .....	73
PWV Area Facing Critical Water Shortage (Kym Hamilton; THE STAR, 2 Apr 86) .....	75
Mossel Bay Gas Exploitation Enters First Major Phase (Brian Stuart; THE CITIZEN, 27 Mar 86) .....	77
Mining Chiefs Expect High Inflation To Continue (THE CITIZEN, 1 Apr 86) .....	79
Anglo Mines Wants Jobs Open to All Races (THE STAR, 29 Mar 86) .....	80
Cencor Mines Benefit From Slump in Rand (Duncan Collings; THE STAR, 1 Apr 86) .....	81
Gencor Examines Feasibility of Synfuel Project (Andrew Thomson; THE CITIZEN, 1 Apr 86) .....	83
<b>Briefs</b>	
PFP: Party Opposes Disinvestment	84
Debt Repayment	84
Trade Figures	84

INTER-AFRICAN AFFAIRS

'TRIANGULAR AID' PROMOTED AS METHOD OF FOOD DISTRIBUTION

Dakar AFRICA in French Dec 85 pp 63-65

[Article by Charles J. Diodj: "Triangular Aid"; first paragraph is introduction]

[Text] Help the south to help itself. This is a new doctrine of aid based on the slogan "For the right of peoples to feed themselves." Is it effective?

In 1983 a certain number of NGO's (nongovernmental organizations) began what is called "triangular aid". This system consists of buying grain in areas of the south having a grain surplus, with funds raised in northern countries, and reselling it in the same country's interior areas having shortages.

Originators of this formula reached the conclusion that despite certain deficiencies noted in harvests of most southern countries--of Africa in particular and especially in the Sahel--there are areas where harvests slightly exceed requirements of the local populations. They deduce from this, therefore, that the peasants of one southern country can feed their brothers of another country. Not only are they able to do so, indeed, they ought to; hence their slogan "For the right of peoples to provide for their own food."

Promotors of Triangular aid are the NGO's of northern countries, headed by French organizations which are campaigning intensively for this new idea. In France "Brothers of Men," "Man's Earth," "People Supporting Each Other," are organizing this campaign, supported by other NGO's. In Belgium a grouping called "Collective Food Strategies" was formed, bringing together "Assistance and Brotherhood," "Brothers of Men," "Oxfam Belgium," and "Socialist Solidarity," supported by other organizations.

The same is true for Italy.

In the Federal Republic of Germany, in Great Britain, in Switzerland, in the Netherlands, in Denmark, and elsewhere in Europe various organizations reportedly cooperated in spreading these ideas to the public, to various parliamentary and governmental pressure groups in particular, and apparently supported steps taken at the European Parliament.

In the United States and Canada action has been limited to making contacts.

In all, around 30 NGO's have apparently already taken part, at one level or another, in the campaign.

In general, the new approach has not yet reached adequate proportions, since it challenges the whole classic philosophy of food assistance as carried out since its introduction. It also calls into question interests which are not inconsiderable both for the peasant and for the governments of rich countries, as well as for certain individuals and administrations in southern countries! The presumed consignee--that is, the southern peasant, himself, does not always fully benefit from this assistance and, furthermore, undergoes considerable change.

Above all, what is challenged is the way this assistance is distributed: sometimes it is intended, even if only in part, for the city middle classes; but it also can serve as a means of corruption, of influence peddling, or of political favoritism, in the city as well as in the country. In certain places distribution is subject to obtaining the party card (of the sole or dominant party); in others, the procedure is purely and simply to sell it for the benefit of an individual or a group.

Modibo Keita describes it graphically for us in his work "L'Archer Bassari." Free food assistance develops a welfare mentality at the same time, and as a result it stifles initiative and increases dependence. This dependence ends up by changing the consumers' food habits, creating a demand for "new" products (thus in certain places wheat tends to replace millet; but it is difficult to produce wheat in an area such as the Sahel.)

The introduction of these "new" products devalues local products. Thus, the competition the former products give [local] producers discourages them and encourages a trend toward production for export, to the detriment of food products [for local consumption].

The situation is considered critical: For 1986 a worse famine than in previous years is forecast.

Furthermore, this aid is relatively expensive and does not always arrive at its destination on time. In fact, it is not uncommon for transport costs to equal the purchase price in the donor country. Furthermore, it can happen that a whole year elapses between request and delivery: In southern countries road and rail infrastructures are still inadequate, and transport facilities are not always suitable for operations of this kind. Most of the ports are congested and movement is not always facilitated by a sometimes overly bureaucratic administration: it can even be slowed down by a political dispute between two countries.

Last but not least, food assistance is sometimes used as a means of pressure in international negotiations. In our times this is usually called "the food weapon."

For all these reasons promoters of the new philosophy of triangular aid claim that the current form of this cooperation not only "does not resolve the problem of hunger, but, paradoxically, it contributes to its aggravation while creating an ever more dangerous dependence."

On the other hand, apart from situations such as drought or wars, authors of triangular aid have diagnosed the following as being obstacles to peoples' of the southern hemisphere feeding themselves with their own production, free from the competition of what is called international food assistance: use of much of the areas for export crops such as cotton, soy beans, and peanuts; inadequate prices paid for the products; and lack of technical and financial means so that there may be an equitable division on healthy social and economic bases of the food produced locally.

Taking all that into account, the strategy developed consists in: [a] obtaining a share of the finances intended for food assistance planned by governments and intergovernmental organizations such as the European Economic Community (the initial objective would be 4 percent of the global amount); and [b] bringing together all other financial resources available in organizations for assistance basically motivated by the ideal of international solidarity.

In southern countries the procedure is for local NGO's to identify surplus production areas and those with production shortages. In the areas having surpluses local village groups buy grain at a price at least equal to the official price fixed by the administration of the country concerned. The quantities are then transported and resold in areas in short supply. If needed, and after decision by the village group's directing body, the merchandise could be released on credit to the truly needy. The sums thus generated are to be used for completing development projects.

Such actions take place today in America and in Africa. They are about to reach Asia. So far as the African continent is concerned, where the hunger problem, coming from Asia, has developed and where the situation is considered critical, a worse famine than in preceding years is forecast for 1986. Also, according to the forecasts, in the year 2000--that is 15 years from now--and providing there are no changes in the current economic situation, Africa will depend on foreign assistance to cover 30 percent of its food requirements. Triangular operations have already been carried out on the continent in Burkina Faso, in Mali, in Zaire, and since the beginning of 1985 in Senegal.

In general, by country and year, "Triangular" operations have yielded between 400 and 1000 tons of food products. But as of the current season (1985-1986) quantities have been increasing and some extension of the recipient areas has been noted. For the Sahel countries, this campaign extends from November 1985 to February 1986, corresponding to the grain marketing period.

In political negotiations food assistance is sometimes used as a means of pressure.

According to the promoters, experiments already carried out are apparently satisfactory to the governments of the respective countries. The promoters claim that, as a result of the lucrative prices offered in the areas affected production has improved. Regrouping of villagers has noticeably improved, without counting the availability of foodstuffs in relatively satisfactory quantities in areas in short supply.

The wish to break with the current classic form of food assistance does not cause those responsible for triangular aid to ignore the need to maintain emergency assistance in case of exceptional events such as wars, massive expulsions, and earthquakes. But even in these cases they say that "this emergency assistance would be quicker if security stockpiles had been established in the most exposed regions, preferably with local supplies."

The triangular aid approach is more generous. But it requires much faith, patience, and much mobilization. Because even today, and for a long time to come, it meets with opposition, mainly from northern countries, where great economic, social, and indeed, political interests are involved.

Interests (or, rather, special interests) even in the southern countries, could oppose expansion of the triangular formula. And promoters of the latter are aware of this, but they declare they are ready to fight for the triumph of their idea. One cannot put a price tag on a life.

9772

CSO: 3419/222

OMVS MINISTERS END MEETING; COMMUNIQUE ISSUED

AB201011 Bamako Domestic Service in French 1500 GMT 19 Mar 86

[Excerpts] The 22d extraordinary session of the Council of Ministers of the Senegal River Development Organization [OMVS], which opened last Monday, has just ended at the Hotel de l'Amitie under the chairmanship of the Senegalese minister for water resources and current chairman of the council.

The closing session took place in the presence of members of the Central Executive Bureau, the government, executives of the National Assembly, the diplomatic corps; the OMVS high commissioner; and experts from the three member-countries. About a dozen items were on the agenda of this session, notably the temporary management of the Djama dam, the hydroelectric powerstation of the Manatiali dam, a progress report on the navigation project, the port of the interstate committee for research and agricultural development and the examination of the report of auditors and other matters.

The Council of Ministers made important decisions on all the topics on the agenda, according to the final communique, and made recommendations aimed at further improving the management of the organization. In fact, that is what Samba Yella Diop, current chairman of the council, said.

[Begin Diop recording] Important decisions were made within the framework of the implementation of our common programs. First of all, they are decisions that concern the exploitation of the Djama dam, whose works were completed before the scheduled time, it is worth noting. In the field of energy, a consensus was reached to finalize the conclusions on problems of [words indistinct] as early as next month. Concerning the topic on navigation [passage indistinct] very encouraging results were recorded from sensitizing missions already made through the directives of General Moussa Traore, current chairman of the conference of heads of state and governments, and adopted measures aimed at speeding up programs of the organizations.

Finally, various issues such as deforestation of the Namantiali (?region) and the organization of the OMVS High Commission as well as administrative and financial issues which were closely examined were discussed and culminated in important decisions. This extraordinary session, initially scheduled for the discussion of the energy problems only, turned out to be one of the most important sessions of our organization. [end recording]  
In fact, the Council of Ministers decided that the next OMVS session will take place in Nouakchott in July 1986.

/9599

CSO: 3400/1415

INTER-AFRICAN AFFAIRS

10-YEAR HISTORY OF CEAO REVIEWED

AB231204 Dakar PANA in English 1050 GMT 23 Mar 86

[PANA feature: "CEAO: More Than 10 Years In Existence" by BURKINABE NEWS AGENCY]

[Text] Ouagadougou, 23 Mar (AIB/PANA)--The heads of state of the "Communaute Economique de l'Afrique de l'Ouest" (CEAO), the West African Economic Community--which groups Benin, Burkina Faso, Cote d'Ivoire, Mali, Mauritania, Niger, and Senegal--will meet on 26 March in Ouagadougou for their 11th summit.

The holding of the summit, deferred several times, is an encouraging sign for the strengthening of the West African organisation whose objective is to work toward a regional economic integration of member countries which suffer today from the bad effects of Balkanisation.

The community has a long history which can be assimilated to the economic difficulties and "unobtainable" solutions to underdevelopment with which African countries, in general, were confronted after their political independence in the 1960's. Thus concerned with harmonised economic development of their countries in order to improve the living standards of their population, convinced that a speedier and more balanced growth of their economies necessitates a closer cooperation between their countries, the heads of state of the six countries met on 21 May 1970 in Bamako and created a new regional organisation for economic cooperation which has since been known as the CEAO.

In fact, the CEAO replaced the "Union Douaniere des Etats de l'Afrique de l'Ouest" (UDEAO)--West African Customs Union--which was created on 9 June 1959 and then reorganised on 3 June 1966. The UDEAO did not allow for processing along the anticipated path to a speedy and balanced development of all its member countries. The alternative was to create the CEAO.

In the minds of the founding fathers of the organisation, it was intended to provide guidelines for regional economic cooperation in accordance with the objective situation prevailing in each country and taking the interests of each country into account as well as ensuring the equal participation of each state be as much as possible.

It was on 3 June 1972 in Bamako and 17 April 1973 in Abidjan that the protocols of the CEAO agreement were eventually signed. The community became operational on 1 January 1974. Benin later joined the six initial countries and while two other countries, Togo and Guinea, began taking part in the community's session as observers and they may perhaps some day want to be full members of the organisation.

All member countries of the CEAO except Mauritania which has its own currency--the ouguiya (lum-6.8F. CFA), belong to the "Union Monetaire Quest Africaine" (UMOA) whose currency is the CFA [passage indistinct] million sq km and regroups about 35 million people.

A big innovation in the economic cooperation of the CEAO compared to other union attempts has been the creation of real integration instruments such as the "Taxe de Cooperation Regionale" (TCR)--regional cooperation taxation--the "Fonds Communautaire de Developpement" (FCD) a Community Development Fund--and the Fonds de Solidarite et d'Intervention pour le Developpement de la Communaute (Fosidec)--Solidarity and Intervention Fund for the Development of the Community.

The TCR is the instrument for free trade of industrial products between member countries. It is a substitute for the rights and taxes levied on national imports of product from another member country. However, export taxes are also levied and the rates depend on the nature of the products.

The FCD is filling the gap experienced in previous customs unions. It ensures the equitable contribution of public treasuries of member countries that import industrial products. It acts as an economic and financial compensatory fund. It operates in such a way that two-thirds of drops in value resulting from the application of the TCR be paid to importing member countries as a "compensatory payment." The remaining third is destined to the funding of national as well as community development activities.

The Fosidec was created on 7 October 1978 by the heads of state of the CEAO in order to contribute to the economic and social development of the seven member countries by providing them with financial means.

All member countries as well as all (?companies) and individuals from any member country and all private companies partially owned by citizens of one or several member countries are entitled to compensations by Fosidec which has an initial capital of 5 billion francs CFA (about 14.3 million U.S. dollars).

In the field of inter-community trade, in addition to the preferential arrangements of the TCR, leather goods and traditional craft products are imported and exported duty free.

In order to broaden its scope, the CEAO has set up the following specialised institutions:

In Dakar, the "Centre Africain d'Etudes Supérieures de Gestion" (CESAG)--African Centre for Higher Studies in Management--trains top-level cadres from member countries. The center is also opened to English-speaking countries of the sub-region. It has been in operation since October 1985 and its objectives are the training of a managerial staff for industry and management as well as organising refresher courses in management techniques, business counselling, and research and documentation.

In Bamako, the "Centre Regional d'Energie Solaire" (CRES)--Regional Centre for Solar Energy--becomes operational in October 1986. The CRES aims at providing member countries of the CEAO and the "Comité Inter Etats de Lutte contre la Sécheresse au Sahel" (CILSS)--Inter-Governmental Council for the Fight Against Drought in the Sahel [ICDSCS]--with the know-how of the technologies of renewable energy, participating in the development and training of manpower, creating production capacities for renewable energy facilities in the sub-region.

In Niamey, the "Ecole des Mines et de Géologie" (EMIG)--Mine and Geology School--aims at especially training cadres for the mining industries. Like CRES, the school will open in October 1986.

In Segou (Mali), the "Ecole Supérieure des Industries Textiles" (Cesitex)--Institute for the Textile Industry--aims at training cadres for the textile and para-textile industries (engineers, highly qualified technicians, foremen, maintenance agents, and regulators), ensuring continuing education, and refresher courses for the cadres who are already working. The school will be completed in 1986.

In Nouadhibou (Mauritania), the "Institut Supérieur des Sciences et Techniques Halieutiques" (ISSTH)--Institute for Halieutic Sciences and Techniques--which is scheduled for completion in October 1986, will be devoted to the formation of cadres for sea [passage indistinct].

The construction of a "Société Communautaire de Pêche" (CCP)--Community Fishing Company--is also planned in the same city and the negotiations for its implementation are still going on. The company will contribute to the amelioration of animal proteins deficiency by catching and selling fish and other maritime resources. It will also be involved in the utilisation of the existing refrigeration facilities in member countries for profit and in reinforcing the local fishing business and fleets.

In Bobo Dioulasso (Burkina Faso), the "Usine de Fabrication Communautaire de Wagons" (FCOWA)--Community Wagon Building Plant--which has a specialised branch in Dakar, is being made functional.

The degree of participation of the main plant and that of its branch remain to be determined as well as the funding and the choice of technical partners. The plant will be devoted to the yearly production of 300 wagons of all categories for the CEAO and Togo networks, the creation of a maintenance and

boiler making units, and the grouping of the purchases of the parts that cannot be locally made such as spark plugs, driving axles, and breaks.

Because of the drought that exist in almost all member countries, CEAO have launched a programme called "Hydraulique Villageoise et Pastorale" (HVP)--pastoral and rural hydraulics--to meet the essential needs for water supply of the pastoral and rural communities.

The objective of the HVP is to achieve 2,634 water points in the 7 member countries: Benin (number to be determined), Burkina (720), Cote d'Ivoire (300), Mali (500), Mauritania (634), Niger (500), and Senegal (250). It will also organise the maintenance of the facilities and the hydraulic equipment, promote the active involvement of the target population with the projects and educate them towards a hygienic utilisation of the facilities.

All these institutions and projects constitute what could be called "first generation" projects. The "second generation" projects should begin by the end of 1986. These included the "Common Agricultural Policy" (PAC), (Politique Agricole Commune) in Ouagadougou, the "Centre Internationale de Sciences" (CIS)--International Seeds Centre--at Baguineda (Mali).

Despite various complaints, such as bad management which recently paralysed the activities of the organisation, one can still hope that the next summit of the CEAO heads of state will put the organisation back to its feet so that it can play its proper role as a dynamic instrument for the integration of the weak national economies of the sub-region.

/9599

CSO: 3400/1415

INTER-AFRICAN AFFAIRS

BRIEFS

UMOA COUNCIL MEETS--For the first time since Mali rejoined the West African Monetary Union [UMOA] in June 1984, the Council of Ministers of this institution met in Bamako yesterday [29 March] under the chairmanship of Komlan Alipui, the Togolese minister of finance and economy and current chairman of the Council of Ministers. After examining the UMOA's economic and monetary situation, the council expressed its satisfaction with the improvement of the Union's external standing. It, however, recommended, on the one hand, that the economic and financial reorganization efforts being made by the state members be pursued, and on the other, that the member states' monetary and economic policies be coordinated. Meanwhile, the council agreed to the gradual reduction of the banking interest rates granted in the various UMOA member states in order to reduce the cost of credit. Let us recall that the UMOA comprises Benin, Ivory Coast, Burkina Faso, Niger, Senegal, Togo, and Mali. [Text] [Bamako Domestic Service in French 1300 GMT 30 Mar 86] /9599

CSO: 3400/1415

ANGOLA

PARTY OFFICIAL CLOSES NATIONAL PARTY MEETING

MB031329 Dakar PANA in English 1711 GMT 2 Apr 86

[Text] Luanda, 2 Apr (ANGOP/PANA)--The Central Committee member of the MPLA-Labor Party for state and judicial organs, Mr Juliao Mateus Paulo Dino Matross said the party would be now more than ever, the army of revolutionaries ready to fight and win the difficult challenge to which they are charged.

Closing yesterday the two-day national meeting for the party's organization, Dino Matross said the meeting has devoted a particular attention to the functions of the basic organisation, circulation of information, the question of the profile of the party's members, and their political and ideological education.

Dino Patross said the meeting analyzed and discussed the plan of central work for different organs of party's leadership, which he affirmed contained fundamental tasks to be carried out in various fields of party's state and social activities which reflect and influence the working programme and activity of departments of party's provincial committees and basic organizations.

The program and holding of the assemblies and conferences of basic structures, intermediary party organs, for rendering accounts and renewal of mandates, are one of the important tasks to be accomplished of the party this year, he said.

He added that the party is to carefully study all directives approved by the political bureau of the MPLA-Labor Party in view of permitting all party cells and committees to use the same criteria and methods of work.

"We are members of a Marxist-Leninist political organization, which is guided by clear principles, be it for its organization or its functions and activity," Dino Matross concluded.

/8309  
CSO: 3400/1460

ANGOLA

ENVOY TO ZAIRE MEETS FOREIGN MINISTRY OFFICIALS

MB021847 Luanda Domestic Service in Portuguese 1200 GMT 2 Apr 86

[Text] In Kinshasa yesterday, Miguel Gaspar Neto, the ambassador of the People's Republic of Angola to the Republic of Zaire, was received by a number of officials of the Zairian Ministry of Foreign Affairs. According to information received from our embassy in Zaire, Ambassador Gaspar Neto held meetings with the secretary general, the director of Africa division, and the director of international organizations of the Zairian Foreign Ministry. Issues connected with diplomatic activity and the present situation in Africa, particularly in southern Africa, were discussed during the meetings.

What is more, talks have been under way in Luanda since last Monday between official delegations from our country and Zaire within the framework of the Angolan-Zairian special subcommission for the maintenance and conservation of the roadway over the Zaire River. This is the 12th time that talks are held at this level between the two sides. Angola is being represented at the meeting by Cristovao Domingos, the national director of merchant navy and ports, while the Zairian delegation is led by (Songo Some).

/8309  
CSO: 3400/1460

GHANA

BRIEFS

MILITARY UNIFORMS FROM BULGARIA--The Bulgarian Government yesterday presented military uniforms to the Civil Defense Organization in Accra. The Bulgarian ambassador to Ghana, Kostadin Gyaurov made the presentation to the commander of the CDO [Civil Defense Organization], Brigadier (Tehn Addy), at a ceremony in Accra. The ambassador said the gesture is to express Bulgaria's support for Ghana's revolution. Mr Gyaurov, who is the dean of the diplomatic corps, noted that the people's militia form part of the army and security network in the country and that the militiamen are representatives of the people in all spheres. Brigadier (Tehn Addy) thanked the government and people of Bulgaria for their kind gesture. He said it will help in the efforts to mobilize the youths in support of development projects and defense of national interests. Brigadier (Tehn Addy) hoped the gesture will mark the beginning of cooperation between the people's militias of the two countries. [Text] [Accra Domestic Service in English 0600 GMT 30 Mar 86] /9604

CSO: 3400/1358

L I B E R I A

**PUL URGES RELEASE OF JOURNALIST, STUDENTS**

AB272146 Monrovia Radio ELWA in English 1710 GMT 27 Mar 86

[Text] The Press Union of Liberia [PUL] has called for the immediate and unconditional release from further detention of journalist (Jainer) Moore and five members of LINSU [Liberian National Students Union] alleged to have been arrested by security officers yesterday.

Delivering a tribute at the funeral of Mr Porte today, the vice president of the Press Union, Mr William Allen, said although the union does not know the circumstances under which they were arrested, it was informed that journalist Moore and three [as heard] LINSU members were arrested during removal procession of Mr Porte. The Press Union executive described the move as unpatriotic and sacrilegious as the move violated the decorum and honor of a great Liberian who was being laid to rest in peace.

Prior to the PUL statement, the DAILY STAR revealed today that Mr (Jainer) Moore, an executive of Sunrise Group Incorporated, Francis Myers, Bully Doboh, Thomas Doe, and Larry Togba all of the Liberian National Students Union, LINSU, have been arrested during removal procession yesterday in Monrovia. The paper said when contacted for confirmation, the staff commander and the chief for patrol were not available for comment. But the paper said the second deputy chief for patrol at the police headquarters, who contacted the shift commander, was informed that the arrested men were not taken to the police headquarters.

/12232  
CSO: 3400/1461

LIBERIA

BRIEFS

HOSPITAL AGREEMENT WITH CHINA--A \$281,000 agreement for the preliminary design of the new Health Ministry has been signed in Monrovia between the Liberian Government and a Chinese firm, the National Complete and Plan Export Corporation, NCPEC. Deputy Health and Social Welfare Minister J. Boimah Barclay, signed for the Liberian Government, while the economic counsellor at the Chinese Embassy in Monrovia, Mr (Wang Zhang-Liu), signed for the corporation. According to the agreement, which was signed today at the Health Ministry, NCPEC, would do a preliminary design for the new Health Ministry building and submit it to the Liberian Government within the next few months for review and possible correction. The design would later be returned to China for making the final drawing. [Excerpts] ]Monrovia Radio ELWA in English 2000 GMT 27 Mar 86 AB] /12232

CSO: 3400/1461

MOZAMBIQUE

MNR SETS TOUGHER TERMS FOR SETTLEMENT

Johannesburg THE STAR in English 2 Apr 86 p 3

[Text] The Mozambique Resistance Movement has set tougher terms for an ultimate settlement in the war-torn former Portuguese colony.

The MNR's secretary-general, Mr Evo Fernandes, said the rebels had told United States officials there would be no settlement in Mozambique unless President Samora Machel stepped down and all "foreign troops" left the country.

In a SABC radio report today, Mr Fernandes said in Lisbon that the new approach had been endorsed by MNR leader Mr Afonso Dhlakama.

When the South Africans brought MNR and Frelimo representatives together in Pretoria in October 1984, the two sides came close to a negotiated settlement--largely because the MNR was prepared to accept continued office for Mr Machel.

And today Mr Fernandes claimed that he had been approached by Americans who said the Maputo Government was prepared to negotiate.

He also claimed that he had held discussions with a Maputo official.

Mr Fernandes' statement coincides with increasing evidence that the civil war in Mozambique is going badly for the Maputo regime.

The MNR is clearly in a much stronger position than it was in March 1984 when South Africa and Mozambique signed the Nkomati Accord.

It is by far the most aggressive of the two warring parties and Southern Africa diplomatic and intelligence sources estimate that more than 85 percent of the deliberate contacts between the MNR and Frelimo are now initiated by the rebels--compared with about 60 percent in 1984.

/9317  
CSO: 3400/1452

MOZAMBIQUE

FIGURES IN TOP-LEVEL GOVERNMENT SHAKE-UP DESCRIBED

Johannesburg THE CITIZEN in English 31 Mar 86 p 8

[Text]

MAPUTO. — Mozambican President Samora Machel, in a bid to run his battered country and its anti-rebel war effort more efficiently, has given sweeping powers to three of his closest advisers.

A top-level government shake-up, announced little more than 24 hours before Mr Machel set off for Moscow on a surprise visit, may be only the start of a series of leadership changes, ruling Frelimo Party sources said.

A communique issued late on Friday divided government ministries into three sections under the supreme authority of three members of the Frelimo Politburo.

It said government structures had taken over the leadership role in Mozambican society and top officials of the Marxist-orientated party needed to be totally involved in running the country.

Most "significant" of the changes was the recall of army General Alberto Chipande to the capital to take charge of the war against rebels, Mozambique says are backed by South Africa.

Folk hero

Gen Chipande is a Mozambican folk hero, credited with firing the first shot in Frelimo's war for independence from Portugal.

Made Defence Minister at independence in 1975, he was suddenly sent to his home province of Cabo Delgado three years ago as "political leader" and Mr Machel took over defence.

But the military situation has worsened since then in most areas, with the notable exception of Cabo Delgado and Mr Machel's sweeping responsibilities in other areas limited his ability to direct the military on a day-to-day basis, diplomats here said.

Gen Chipande faces two major tasks as full-time Defence Minister again.

## **Logistics**

One is logistics — it is freely acknowledged that many supplies of food and weapons never reach troops in the field and accusations of corruption are rife.

The second is conscription, where despite of condemnation by Mr Machel, there have been frequent public complaints that drafting procedures are ignored and youths often press-ganged into military service.

The reshuffle also clearly sought to tackle Mozambique's worsening economic situation, the sources said.

Mr Marcelino dos Santos, once vice-president of Frelimo and a prominent Marxist theoretician, has been moved to the

sidelines and his job as party secretary for economic policy, effectively split in two.

## **Little power**

Mr Dos Santos becomes secretary of the Permanent Commission of the People's Assembly, an administrative position he already held with little power.

The assembly is the country's parliament which meets for only a few days twice a year.

The new party economic supremos are Mr Mario Machungo, nominally Planning Minister but assigned to govern Zambezia province in 1983 and Mr Armando Guebuza, who had been languishing as Minister Without Portfolio in the President's office.

## **In charge**

Mr Machungo was put in charge of eight Ministries and three state secretariats, economic planning, finance, banking, foreign trade, labour, wages and prices, transport, communications, mineral resources, industry and energy and construction and water.

Mr Guebuza will coordinate agriculture, light and food industries, internal trade and tourism.

The social welfare Ministries of Education, health, justice, information, culture and sport come under the supervision of Mr Jorge Rebelo, Frelimo ideological secretary and the party chief in Maputo. — Sapa-Reuter.

/9317

CSO: 3400/1452

MOZAMBIQUE

#### PEASANT COOPERATIVES HOLD GENERAL ASSEMBLY IN MAPUTO

Maputo NOTICIAS in Portuguese 14 Mar 86 p 8

[Text] Some 700 peasant cooperative members serving as delegates to the General Assembly of the Maputo Agricultural-Livestock Cooperatives Movement approved on Wednesday the report on 1985 accounts and activities and the plan for 1986. During the course of the assembly, many cooperative members spoke, emotionally recalling the wretched times of the past, contrasting them with the great, powerful family which they now constitute and which from day to day is providing them with a renewed hope for the future.

This year, the 700 delegates, representing nearly 10,300 peasants in 181 cooperatives in the vicinity of the nation's capital, held their general assembly at their own headquarters for the first time.

This fact was cited in various speeches, and in the report, as a sign of the dynamism, level of growth, and capacity for self-management of these peasants who, "a short time ago, could only meet seated on the ground under the mango trees."

The report outlines the process of development of the cooperative movement in Maputo, analyzes the General Union's tasks, describes the activities of this administration throughout 1985, and offers a proposal for a program of action in various areas and on different levels of the organization, concluding with a brief, well devised statistical chart and a statistical assessment of the financial situation as of 31 December 1985.

#### Times Past

During the presentation of the report, Celina Cossa remarked: "In 1980, when we started to organize into cooperatives, almost no one had any faith in us. Furthermore, those in charge of the cooperatives were not the peasants themselves. Some groups were headed by administrations, others by Mobilizing Groups, and still others by the OMM [Organization of Mozambique Women]. The decisions depended on the people in those agencies, and not on the peasants. As a result of all this, the peasants did not consider the cooperative's farm to be their own, and they did not engage in the work with dedication. Therefore, the cooperatives could not produce positive results."

The recollection of those times was later resumed by several speakers. One of them recalled that she had hesitated to join the cooperative, because everyone said that this "was just for the wretched poor. But since I too was poor, and without a family, I agreed to join. Now, I am not lacking in food and family; as for the others...."

From the first meetings held under the mango trees to decide on production, and initiatives for introducing economic and social improvements, and particularly improvements in management, wherein the peasants learned to direct in a democratic manner what they were constructing, step by step, with their toil, until the promising present-day, many interesting details were provided by the report.

"From the difference with which we have prepared for this meeting, from the difference in the way in which we learn and reflect on the problems that we must solve, from the difference in the way in which we know now one another, from the difference in the way in which we are respected, and from the difference in many areas, we can observe and sense the extent of our growth," one reads in the aforementioned document, which concludes the reliving of those years by stressing:

"This is the experience that we must remember concerning the manner in which this movement of cooperatives associated with one another came into existence, to find boards, and sure paths to prosperity and happiness for peasant families: an experience headed by the peasants themselves, through their General Union, which is an association of cooperatives."

In the assessments regarding its functions and tasks, the General Union declares that, being elected by the peasant cooperative members in a general assembly, it is essentially to that same assembly that the cooperative heads must render accounts and receive guidance on their work.

The report made by the Union does not avoid certain comments containing a rather critical tone:

"Up until 1985, the state had never cooperated in defraying the expenses required for the process of training, and especially for the payment of the personnel, both Mozambican and foreign. It is only in this year of 1986 that, for the first time, there has been state cooperation in the training of cooperative members through the state budget."

With a certain amount of irony, the report cites the famous Council of Ministers document at the beginning of this decade, relating to the socialization of the rural areas; noting that "there will be financing in the state budget... for projects associated with training, publicity, and backing for cooperative development."

#### Misfortunes Avoided

And without complaining in a single line about droughts, floods, and other disasters, chairwoman Celina Cossa showed what was accomplished during 1985.

In the first place, there was the plan which they had pledged to execute: a year earlier, the Union's administration had pledged to mobilize the peasants to assume greater decision-making authority themselves. And the plan was decisive in that respect.

"The one making the plan in the cooperatives was not the Ministry, nor the General Union, nor the Zonal Union; but rather the cooperative itself." The Union had the task of harmonizing the many tasks scheduled. The peasants had more responsibility, and they assumed it.

Another activity was the preparatory work for making the General Union official, so that it would have a legal status that would enable it to hold dialogue with other institutions without subordination or indecision.

"We started a new, important activity, a sausage-making factory," in which a group of cooperative members has developed a completely new technology in the daily activity of the peasants in Maputo.

"Another structure was opened, with 2,000 ducks, to reproduce and back the cooperative members' family system."

The biogas project was started at one of the cooperatives. The results have been promising, and conditions are being created to extend this to many others. This initiative, along with that of the program to reforest large areas, is proof that these peasants are learning to live in peace with nature, finding ways of procuring greater benefits from it to an increasing extent, so as to improve their living conditions.

#### Rendering of Accounts Is Not 'Words'

And the role of initiatives still entails the organization of the accounting, so that "we can now offer accurate information to anyone." And this presentation of information made in an annex showed in the assets the supplies of financial currency (nearly 20,000 contos), material currency (nearly 21,000 contos), and immobilized funds (almost 47,000 contos); whereas, in the liabilities, the creditors' account (with emphasis on the bank loans for investments and not to pay wages, as is usual in our enterprises) amounts to nearly 9,000 contos. The balance concluded that its own funds amount to a total of 88,000 contos.

And when the peasants prove capable of organizing to properly recruit technicians into their service, as as to present their accounts in a scientific manner, it is only natural for them also to know how to mitigate and overcome many of the difficulties currently being experienced throughout the country in the development of production.

In fact, well organized peasants, recruiting dedicated technicians, were able to achieve the following rather significant results: From 1984 to 1985, the agricultural area rose from 471.9 hectares to 577; the volume of agricultural

production increased from 1,108 to 1,671 tons; while livestock rose from 209 to 309 tons. A large amount of other information was also provided, attesting to the fact that cooperativization carried out with serious dedication is not a dream.

#### Reelection of the Administration, Victory Celebration

It was this report which the peasants considered emotionally throughout Wednesday morning and early afternoon, because it put into words an overall view of all that each one of those hundreds of cooperative members experienced, day by day, for a year.

And as an elderly peasant man remarked, "When we plant a cabbage there in the cooperative, or dig a quarry, or feed a little pig, we are creating the drops that will combine and fill a river which we have now just seen and heard at this assembly."

All the speakers referred to the way in which that "river" is growing precipitously, but well directed by an administration of peasants who know how to take advice from their colleagues, the party, the state leaders, and the native and foreign technicians.

This recognition was expressed in the report amid heavy, emotional applause from the present administration, particularly its head, Celina Cossa, who, in good peasant style, was given so many presents that she could not carry them all herself.

And to better enjoy the results of another year of work, all the delegates and guests ate and danced, exchanging gifts and embraces.

2909  
CSO: 3442/174

MOZAMBIQUE

RECENTLY PASSED LABOR LAW PUBLISHED

Maputo NOTICIAS in Portuguese 15 Mar 86 p 1

[Text] The Labor Law, passed by the People's Assembly at its last session, held during December of last year, has now been published in the Bulletin of the Republic. Included in a special supplement to the Bulletin of the Republic, the new labor legislation, which will go into effect as of next June, applies to all the state, mixed, and private employing entities, as well as to the social organizations, and to the respective native and foreign workers who perform their activity in the country. This law contains extensive terms distributed among 18 chapters.

In its preamble, the law stipulates that, "Work is a right and an obligation for anyone who is fit to carry out any activity in the economic, scientific, technical, social, or cultural areas, depending on his or her aptitudes, qualifications, and aspirations, and based on the needs and capacities of the entire society."

With regard to the distribution and rational use of labor resources, the same preamble notes that this "is based on the goals of the development plans to guarantee an economic and social efficiency of work, as well as the harmonious, accelerated development of the country as a whole."

In another portion of the preamble, and after emphasizing that "no conditionality of a political or social type can be an obstacle to the exercise of the right to work," it is stressed that, for the work performed, the workers are entitled to receive as compensation a wage in accordance with the principle "from each according to his abilities, to each according to his work."

Purpose and Scope of Application

According to its first article, the Labor Law "regulates the legal work relations to be established by contract, thus contributing to an increase in productivity and to a rise in social production and, on that basis, raising the material and cultural standard of living of all workers, reinforcing work discipline, and gradually converting work into a vital necessity for every citizen."

This law applies to all state, mixed, and private employing entities, as well as to the social organizations and the respective native and foreign workers who are residents performing their activity in the country.

The law also applies to legal labor relations, in all areas not regulated by other legal instruments.

In this same chapter, the law stipulates that, "In the cooperative enterprises, this law applies to salaried workers, and does not include the cooperative members, whose relations are governed by the respective statutes."

The law notes: "The legal relations of state employees will be governed by a specific statute."

2909

CSO: 3442/174

MOZAMBIQUE

#### NEW SALT-PROCESSING EQUIPMENT IN OPERATION

Maputo NOTICIAS in Portuguese 18 Mar 86 p 8

[Text] On Saturday, the first plant for pre-washing and drying salt, installed in a national factory for the extraction and sanitization of that strategic product , was put into operation at the Matola salt works in Maputo. With a minimal processing capacity of 15 tons of salt per hour, and a maximum of 30, the plant was installed under the sponsorship of the cooperation between our country and the United Nations Development Program (UNDP); and the project was completely financed by the Italian Government which, for this purpose, sent its technicians to undertake the assembly of the equipment.

After a test of its operation lasting nearly half an hour, the Italian technicians and the coordinating official for UNDP programs in Mozambique, Carlos Goulart, expressed satisfaction with the project, considered a major one in the history of salt production, inasmuch as it will significantly improve the quality of the salt produced in Maputo, especially at a time when the crystallization and sanitization factory is at a standstill.

According to Fimiani Sabatino, an Italian technician who headed the team that undertook the assembly of the equipment, the salt pre-washing and drying plant has a useful life of over 20 years, and its installation represents an important step in the rehabilitation of the Mozambican salt industry; because, nowadays, any country producing salt must have its own salt works and, as a minimum, a type of machinery such as the Matola salt works has now.

The general director of the Salt Industry Management Unit, Bernardo Fabiao, asserted that the installation of the machinery would start an "ambitious" program to rehabilitate the salt factories, which it is hoped will be carried out during the current decade. He expressed satisfaction with the starting of the factory, after 3 years of trouble seeking construction equipment that could lend shape to the project which has now become a reality.

With the factory for crystallization and sanitization of the salt at a standstill for months, the quality of the product that was distributed for consumption appeared poor. For several months, in Maputo, the NSA consumers expressed indignation at the quality of the salt distributed to them. This was due to the breakdown of one of the machines, which led to the stoppage of the crystallization plant; because the salt comes directly from the salt works to that

factory. Now, with the entry of this plant into operation, such an incident will never occur again, because all the salt coming from the salt works will have to go through that machine before being distributed for consumption, unless its crystallization is warranted, as has been customary.

#### Some Information on the Plant

The engineers and technicians specializing in this type of machinery reported that the pre-washing and drying plant set up at the Matola salt works has an operating capacity of 15 tons per hours, which represents an annual production of 27,000 tons of that product. According to the Italian technician, Fimiani Sabatino, when the maximum installed capacity is used, those figures are doubled.

The total financing provided by the Italian Government through the UNDP for the purchase and installation of the plant amounts to \$220,000, and the civil construction works and other costs, in meticals, amount to about 800 contos, according to information from the Salt Industry Unit director, Bernardo Fabiao.

Under normal conditions, the general work, including civil construction projects, for assembling a machine such as this takes only 3 months. However, because of difficulties of various types which arose throughout the process of devising the project and executing it, the work lasted 3 years, as director Bernardo Fabiao also disclosed, stressing, nevertheless, that it was "better late than never," because the plant is still as necessary as it was 3 years ago.

Although the plant has been successfully put into operation, the other projects planned, including the construction of an automatic weighing and bagging system for salt, and also a protective wall around the premises where the machine is installed, will continue their progress.

As Bernardo Fabiao revealed, the future development of the salt industry indicates the installation of this type of machinery in certain of the country's provinces.

According to the director of the Salt Industry Management Unit, the next phase could benefit Nampula Province, which is considered a strategic site for ensuring the distribution of salt to the provinces in the central and northern parts of the country.

2909

CSO: 3442/174

MOZAMBIQUE

BRIEFS

WHEAT FROM SPAIN--The Kingdom of Spain has donated 3,000 tons of wheat in bulk to Mozambique. The formal ceremony to deliver the gift took place yesterday, at the facilities of the Ministry of Home Trade in Maputo, and the speakers were the charge d'affaires of the Kingdom of Spain's embassy in Mozambique and, representing Mozambique, the national director of economy of the Ministry of Home Trade, Sergio Cassamo, who expressed appreciation for the Spanish Government's gesture of solidarity. The charge d'affaires of the Spanish Embassy, in turn, declared that the donation was being made as part of the exchange based on friendship which unites Mozambique and Spain. Meanwhile, the 3,000 tons of wheat in bulk have already been unloaded in the port of Maputo. The photo shows the two officials shaking hands at the conclusion of the formal delivery of the gift. [Text] [Maputo NOTICIAS in Portuguese 18 Mar 86 p 8] 2909

UNHCR DELEGATION--A mission from the United Nations High Commissioner for Refugees (UNHCR) has been visiting our country since last Wednesday, to discuss with our authorities the status of the displaced Mozambicans in certain neighboring countries. The mission arrived in Maputo from Geneva, and consists of four members. Carroll Faubert, office chief of the United Nations High Commissioner for Refugees, is heading the mission visiting our country. Upon the conclusion of its visit, the UNHCR delegation will travel to South Africa, where it will check the type of assistance being given to the displaced persons from our country in that territory, and what their situation is. In addition to the contacts with our country's authorities, there are plans for the mission to hold working sessions with representatives of the International Red Cross Committee and the United States Embassy in Maputo. The contacts with the latter two entities are aimed at discussing their potential for subsidizing the program to reinstate displaced Mozambicans. Besides South Africa, there are displaced persons from our country in Swaziland, Zimbabwe, Zambia, and Malawi; the majority of them displaced because of the drought situation that is present in certain regions of Mozambique, and also because of the armed bandits' terrorist activities. [Text] [Maputo NOTICIAS in Portuguese 15 Mar 86 p 1] 2909

USSR DONATION--The value of the Soviet Union's donation to our country consists of a large shipment of consumer goods, estimated as worth 520 million meticals. An article published in our edition of yesterday regarding the matter claimed that the amount of that gift totaled 52 million, which does not reflect the real value of the donation. The shipment, the final part of which is expected in

the port of Nacala within a few days, has been assigned to back the agricultural marketing in the provinces of Nampula, Cabo Delgado, and Niassa, and part of Zambezia. For the mistake, which was due to an error in conversion to national currency, we offer apologies to our esteemed readers and, in particular, to the source who provided this information to our newspaper.  
[Text] [Maputo NOTICIAS in Portuguese 14 Mar 86 p 8] 2909

CSO: 3442/174

NIGERIA

AGRICULTURAL POLICY, PRIVATIZATION OF GOVERNMENT FIRMS

AB021715 Lagos Domestic Service in English 1500 GMT 2 Apr 86

[Text] Six agricultural companies owned by the Federal Government are to be privatized. Already the Nigerian Dairy Company, and the Madara Dairy have been advertized for sale, while the Nigerian Food Company and the Bauchi Abattoir are to be advertized soon for sale to competitive bidders.

Announcing this today at a quarterly news briefing of media executives in Lagos, the chief of General Staff Commodore Ebitu Ukiwe, said that the National Livestock Production, and the Nigerian Ranches Companies have been wound up. He stated that all the agricultural companies affected would be closed before the end of this month. The Chief of General Staff explained that the step was in pursuance of the Federal Government's privatization policy. Commodore Ukiwe said that the preparation for the 1986 cropping season, orders were placed for spare parts to reactivate all land-clearing equipment and farm tractors of the river basin and rural development authorities. The National Seed Service, he announced, was currently dispatching 5,000 tons of improved seeds of maize, rice, Guinea corn, millet, soy beans, and cow peas in all the states of the Federation. In addition to the import licenses given to companies dealing in agro-chemicals, Commodore Ukiwe said that licenses worth 3.5 million naira had been issued to the federal Ministry of Agriculture, and some state government for the purchase of herbicides, pesticides, and spraying equipment.

As part of government efforts to improve food supply, serious attention is being paid to negotiations on fishing right agreements with friendly nations. Efforts are also being geared toward the development of suitable crops for adoption by in-shore fishermen. The chief of General Staff said that the Federal Government was taking a close look at the commodity board system to eliminate its operational defects. He stated that at the end of the review, the present system would be replaced by a more cost-effective system. Commodore Ukiwe announced that the three rice mills at Sokoto, Badigi, and Makurdi were not fully operational and would go a long way to fill the vacuum created by the ban on the importation of rice.

/9604  
CSO: 3400/1358

TANZANIA

## PRESIDENT MWINYI VISITS COAST REGION

Dar es Salaam DAILY NEWS in English 26 Mar 86 p 1

[Article by James Mwakisyala]

[Text]

PRESIDENT Mwinyi has called on ministries, government department and parastatal organisation leaders to maintain good working relations in order to successfully implement national projects.

Leaders should get to know each other personally so that operational matters could be tackled promptly, he said.

The President stated this yesterday at Chamalale Village in Kisarawe District where he inspected a water project being undertaken by the Ministry of Lands, Water, Housing and Urban Development in the Coast Region.

The Coast Regional Water Chief Engineer, Ndugu Said Kyelula, had told the President that the project, which started in 1978, had been delayed because of difficulties in obtaining cement and other requisite materials from some parastatal organisations even when the materials had been paid for.

The delay of the project to serve an estimated 25,000 people in 21 villages, will eventually cost over 20m/- by 1988 completion date, up from the initial estimated cost of 10.8m/-, an increase of 90 per cent.

The President told Party and Government leaders in his entourage that there was a definite need for leaders to co-oper-

ate in undertaking development projects because all of these schemes were meant to serve the people.

It was evident in the briefing that the Ministry was working separately from the regional development programme and as such when Coast Region under took to find cement, it did not include requirements of the water project.

"If we do our jobs separately, we will not succeed", he emphasised.

The President, on his second day of his four-day tour of Coast Region, proceeded to inspect development activities in several villages including Vihingo, Mzenga, Kurui, Mtakayo, Maneromango and Kitonga.

At Mzenga, he was shown some 300 hectares of block farms planted with cassava, and another 260 hectares planted with rice and maize.

President Mwinyi praised the 600 residents in the village for having made efforts to cultivate the food crops.

At Kitonga Village, the villagers showed the President a one-hectare orchard planted with oranges, from which they expect to earn about 60,000/- annually.

The villagers complained of verminings and lack of transportation facilities. The President directed the villagers to intensify efforts to hunt down the destructive animals by using traditional means.

Meanwhile, coastal people were yesterday challenged to start using draught animals for cultivating land

and transportation in their villages before the end of this year.

Addressing a rally at Maneromango, President Mwinyi said he had been highly impressed by the efforts in growing cassava, cashew-nuts, rice and maize.

However, he stressed that the peasants efforts could have been highly rewarded if they had used oxen-drawn ploughs.

"We must start to seriously consider using draught animals, especially here in Coast Region, because there is plenty of arable land and favourable weather," he said.

The President advised that each village should begin obtaining, at least, one to two oxen and a plough and see what the efforts would bring to them.

He directed that a special campaign be launched to incorporate extension workers in the execution of this exercise.

"I am confident the results will be encouraging. There is no shortage of land in Coast Region," he emphasised.

In a message to the President, the Kisarawe District Commissioner, Ndugu E.G. Mandari, expressed concern over the increasing number of vermins.

Kisarawe elders presented President Mwinyi with heroic symbolic presents including arrows and a bow, a stool, a walking stick and many other items.

The President returned to Kibaha where he will today tour the Tanzania Automobiles Manufacturing Company (TAMCO) at Kibaha, and inspect development activities in nearby villages of Kiwalani, Mwendapole and Msangani.

/9317  
CSO: 3400/1464

JPRS-SSA-86-046  
18 April 1986

**BULGARIA, CHINA PLEDGE SUPPORT**

**Dar es Salaam DAILY NEWS in English 26 Mar 86 p 1**

[Text]

**BULGARIA** and the People's Republic of China have pledged continued support to Tanzania's development endeavours in the agricultural, cultural, education and transport sectors.

The pledges were made by the two countries' ambassadors to Tanzania when they paid courtesy calls on the Prime Minister and First Vice-President, Ndugu Joseph Warioba, in Dar es Salaam yesterday.

The Bulgarian Ambassador, Ndugu Serafim Serafimov, told the Prime Minister that his Government was prepared to establish joint ventures in the transportation and agricultural fields with Tanzania.

Ndugu Serafimov, who is also Dean of the Diplomatic Corps in Tanzania, reaffirmed Bulgarian co-operation with Tanzania in completing already established projects.

Bulgaria finances the brick and tile factory at Kisarawe and

the Dodoma Wine Company.

Meanwhile, the Chinese Ambassador, Ndugu Liu Qing You, told the Prime Minister and First Vice-President that his Government would also strengthen ties with Tanzania in the areas of energy and industry, especially machine tools.

Giving impressions of his visit to Mbeya Region, Ambassador Liu pointed out that Tanzania had great potential in agriculture, and China would continue to give support to the country's efforts in developing this sector.

China assists Tanzania in the energy, mining, and transportation sectors. It has also pledged to finance the construction of an export-oriented nitrogenous fertilizer plant at Kilwa.

The talks at the Prime Minister's office, were based on bilateral relations between the two countries and Tanzania.

/9317  
CSO: 3400/1464

TANZANIA

#### CANADA PROVIDES GRANT FOR OIL EXPLORATION

Dar es Salaam DAILY NEWS in English 22 Mar 86 p 1

[Article by Zephania Musendo]

[Text] Canada will provide a 200m/- (14.12 million Canadian dollars) grant to Tanzania for the exploration of oil following an oil agreement signed in Dar es Salaam yesterday.

Under the agreement, the Petro Canada International Assistance Corporation (PCIAC) will assist the Tanzania Petroleum Development Corporation (TPDC) in the reprocessing and interpretation of certain specialist geological data and drill one deep exploration well in the coastal belt of Tanzania later this year.

Energy and Minerals Minister Al Noor Kassum, the TPDC Managing Director Sylvester Barongo both signed the protocol on behalf of the Tanzania Government while Mr Peter Towe, Chairman of PCIAC signed for the Canadian Government.

Commenting on the agreement, Ndugu Kassum said Tanzania very much welcomed PCIAC's assistance in the petroleum exploration sector, and viewed it as another example of the close relationship which exists between the governments.

He said the Canadian Government position was unique with regard to international efforts to reduce developing countries' dependence on imported oil.

The Minister recalled that work conducted in 1982/83 under an earlier PCIAC grant which amounted to 36.73 million Canadian dollars, had resulted in the opening up of exploration interest by international oil companies in the western area of Tanzania and culminated in the signing of a major petroleum exploration agreement covering Lake Rukwa.

Reacting to a question whether there were oil prospects after over 30 years of exploration in the country, Ndugu Kassum said: "Oil prospects are there, otherwise these people wouldn't be coming here spending so much money."

PCIAC Chairman Towe said Canada would spend more money in oil exploration in Tanzania than any other country because the burden of imported oil here was intolerable.

Tanzania imports over 700,000 tonnes of crude a year and up to 300,000 tonnes of refined oil products at the cost of up to 60 percent of the country's foreign exchange earnings.

According to the Ministry of Energy and Minerals 26 deep exploration wells have been drilled in Tanzania since colonial times and over 400m/- has been spent--mostly by foreign oil companies--on oil exploration in that period.

The signing ceremony of the oil exploration agreement at the ministry headquarters was witnessed by the Canadian High Commissioner in Tanzania, Mr Derek Arnould and Tanzania's Energy and Minerals Deputy Minister, Ndugu Edgar Maokola Majogo.

/9317  
CSO: 3400/1465

TANZANIA

**NIGHT FLIGHTS TO ZANZIBAR SUSPENDED**

Dar es Salaam DAILY NEWS in English 22 Mar 86 p 1

[Text] Air Tanzania Corporation (ATC) said yesterday that it had suspended night flights to Zanzibar because the runway Visual Approach Slope Indicator System (VASIS) at Zanzibar Airport are not serviceable.

A statement issued by the Corporation in Dar es Salaam said the Airline had been forced to suspend night flights to Zanzibar Airport since lack of serviceable VASIS "could lead to planes overrunning the runway."

The statement said VASIS which provides visual vertical guidance for planes approaching airports for touchdown were particularly vital for landings on short runways like in Zanzibar, Shihata reported.

The Corporation, however, explained that it was keen to serve the Isles even in difficult times like a few months ago when the runway lights and VASIS at Zanzibar Airport were serviceable but not commissioned.

ATC operated at Zanzibar even during the nights in such circumstances "because although the VASIS were not commissioned, we found them to be of some help during landing...It is only when they became completely unserviceable that the suspension was made."

An ATC official contacted has said the Airline operated "several" flights a day between Zanzibar and Pemba islands and Dar es Salaam.

/9317  
CSO: 3400/1465

TANZANIA

#### AMBITIOUS NATIONAL RICE PROGRAM UNDERWAY

Dar es Salaam DAILY NEWS in English 22 Mar 86 p 4

[Excerpt] Tanzania is about to launch an ambitious national rice production programme with the aim of attaining rice self-sufficiency within the next five years.

The programme, called Julius Kambarage 5 (JK5) in honour of the country's retired first President, will concentrate on raising the average national rice yield per hectare from 0.9 tonnes to five tonnes.

A country report on Rice Varietal Improvement, presented to the ongoing international workshop on High Yielding Rice Varieties Technology in Arusha yesterday by Dr Andrew Mgonja of the Ifakara-based Tanzania Agricultural Research Institute, said the programme would also enable Tanzania to get surplus rice for export.

Dr Mgonja said three elements would form the backbone of the programme. These are the use of modern improved rice varieties with high yielding potential and the accompanying technological package, concentration on irrigation and the extensive use of demonstration plots and extension programme.

He said the programme's main thrust would be to raise yield per acreage rather than breaking new ground. "Although the area under rice production is sufficiently big (295,600 ha), the country is facing rice shortage due to low production per unit area," he added.

Dr Mgonja said scientific findings had established that the low yield per acreage was caused by poor crop management, poor weed control, lack of fertilizer and herbicide use, poor management of water and above all the use of unimproved seed varieties.

He said although rice research began in Tanzania in the 1930s at Ifakara, Ilonga, Naliendele, Ukiiliguru and Tumbi and most recently at Uyole, very little rice technology and high yielding seeds had reached the rice farmer.

Dr Mgonja added that under the national rice production programme, demonstration plots and extensive use of extension programmes would overcome this shortcoming.

The workshop is sponsored by the Tanzania Agricultural Research Organisation (TARO), International Institute of Tropical Agriculture (IITA), International Rice Research Institute (IRRI) and the West African Rice Development Association (WARDA).

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CSO: 3400/1464

TANZANIA

## FIFTY VALMET TRACTORS EXPORTED TO SUDAN

Dar es Salaam DAILY NEWS in English 25 Mar 86 p 3

[Text] The Tanzania Tractors Manufacturing Company (TRAMA) is exporting to Sudan 50 Valmet tractors valued at 12.7m/-, the TRAMA General Manager, Mr Hannu Niskanen said in Dar es Salaam yesterday.

The first consignment of 40 Valmet tractors rolled off assembly lines at Kibaha, some 35 kilometres from Dar es Salaam along Morogoro Road, to Dar es Salaam port yesterday where they were to be ferried aboard mv City of Liverpool. The ship sails away tomorrow.

Mr Niskanen said ten other tractors in the consignment were expected to be exported to Sudan in two weeks time.

The export consignment of Valmet tractors to Sudan was the biggest ever since the assembly plant produced its first tractor in mid 1983. To date, the factory has manufactured 1,200 tractors.

The General Manager said the tractors have been purchased by the Sudanese Government for refugees settled at Showak who were fleeing from Ethiopia.

The tractors will be offloaded at Port Sudan and then transported by road to Showak.

Mr Niskanen noted that the Valmet tractors which have been designated national tractors have about 12 percent of their value in local components. Local components in the tractors include radiators made by Afro Cooling System (AFS) and front weights cast and finished by National Engineering Company (NECCO).

Other locally manufactured components included in the Valmet tractor are paints supplied by Sadolin and CKD (knock-down) kits assembly by the Tanzania Automobiles Manufacture Company (TAMCO) which is under the same roof with Trama-Valmet.

The Valmet tractor group Marketing Manager, Mr Heikki Heinsalmi who is in the country for the Sudan-deal said yesterday that within this year, Trama-Valmet could "significantly increase the local component of the tractor." He did not elaborate.

Mr Niskane who together with other top TRAMA officials were yesterday busy supervising the exportation of the 604-model-1-Valmet tractors which will be loaded in containers.

He said his company was also making efforts to export the tractors to other neighbouring countries.

Countries mostly likely to come into deals to import Valmet tractors from Tanzania include Mozambique, Zambia, Uganda and other countries under the Southern African Development Co-ordination Conference (SADCC).

Asked whether the export to Valmet tractors will affect local demand, the General Manager said the exports will not affect demand adding that the deal will not only benefit the Government but TRAMA as well, as it will have a foreign component to bring in more spare parts.

He pointed out that with more financial back-up, the company may be able to increase its annual production of tractors from 1,000 to 2,000.

TRAMA which is a joint venture between State Motor Corporation and Valmet Corporation of Finland has now 19 service centres in the country to service Valmet tractors. One Valmet tractor sells at 380,000.

/9317  
CSO: 3400/1465

JPRS-SSA-86-046  
18 April 1986

## BRIEFS

SIDA DONATION--The Swedish International Development Agency (SIDA) yesterday donated 20 Suzuki cars worth about 1.5m/- to facilitate the collection of statistical information in the country. The vehicles were handed over to the Bureau of Statistics in the Ministry of Finance, Planning and Economic Affairs. Eighteen of them will be distributed to regional statistics offices on the Mainland and two in the Isles. Receiving the cars, the Ministry's Principal Secretary, Ndugu Gilman Rutihinda, thanked the Swedish Government for the assistance which, he noted, would improve data collection in the country. Presenting the cars, Swedish Ambassador to Tanzania Per Jodahl said he was aware of the country's transport problems and promised his country's continued assistance. Earlier, in his introductory remarks, the Government Statistician, Ndugu Nathaniel Mbalilaki, paid tribute to the SIDA for the assistance it gave to the Bureau of Statistics in training, consultancy services and supply of equipment. [Text] [Dar es Salaam DAILY NEWS in English 26 Mar 86 p 3] /9317

WATER SUPPLY FOR DAR--The Italian Government has indicated willingness to assist in the construction of an improved Dar es Salaam water supply system that will provide every corner of the city area with water. According to the Italian Ambassador to Tanzania, Mr Fabrizio Rossi Longhi, the Italian Government was only awaiting a formal request from the Tanzanian Government as to what form of assistance should be provided. Mr Longhi, however, has told the Daily News in Dar es Salaam that the assistance to improve the Dar es Salaam water supply system may be in the form of construction of a new water intake, main water pipes, and large reservoirs. [Text] [Dar es Salaam DAILY NEWS in English 22 Mar 86 p 4] /9317

RUVUMA POLICE IMPOUND GUNS--Police in Ruvuma region and the Tanzania Peoples Defence Forces (TPDF) have impounded 12 guns and 279 rounds of ammunition in Namtumbo and Mchomoro villages in Songes Rural and Urban Districts. A police officer said that in an operation launched between Februaby 25 and 28 the police impounded five sub-machine gun, five semi-automatic rifles and one G 3 gun. So far, 28 people are helping the police in the investigations. [Text] [Dar es Salaam DAILY NEWS in English 11 Mar 86 p 3] /9317

CANADA TO HELP MBEYA REGION--Canada is exploring the possibility of financing a number of agricultural and water projects in Mbeya Region. The Canadian High Commissioner to Tanzania, Derek Arnold, who is on a three-day familiarisation tour of Mbeya Region said his country was encouraged by the enormous agricultural and water potential in the region. He said Mbeya Region had all the potentials to become Tanzania's bread basket. The High Commissioner also donated 300 books for two primary schools in the region. [Text] [Dar es Salaam SUNDAY NEWS in English 16 Mar 86 p 1] /9317

SOUTH AFRICA

**GOVERNMENT REEXAMINES LAW ON BANNINGS, DETENTIONS**

**Johannesburg THE STAR in English 24 Mar 86 p 1**

**[Text] Cape Town--The Government is examining legislation on bannings and detentions after setbacks the system has suffered in recent court decisions.**

An Opposition spokesman warned today that attempts to change legislation to give the Government wider powers would lead to a national and international outcry.

The Appeal Court recently set aside the detention orders on 16 people and the Supreme Court, Port Elizabeth, the banning order on community leader Mr Mkhuzeli Jack.

The courts ruled that orders issued by the Minister of Law and Order, Mr Louis le Grange, were invalid and that he should have stated reasons.

A spokesman for the Department of Law and Order said today that the Minister would have another look at provisions of the Internal Security Act, in terms of which people were banned.

**Arbitrary**

One of the problems was that, if reasons were given, sources of information could be divulged, said the spokesman.

It appeared today as if the Government had three options: reissuing banning orders and giving reasons; lifting banning orders, or changing legislation.

Mr Peter Gastrow, MP, one of the Progressive Federal Party's law and order spokesmen, said today that the courts had confirmed that the Minister had exceeded wide arbitrary powers given by the Internal Security Act.

Any attempt to withdraw all banning orders and to issue fresh ones with no reasons or attempts to tighten up legislation would result in widespread national and international reaction.

The only way out was to allow a form of judicial testing of whether justifiable reasons in terms of the Act, existed.

/9317  
CSO: 3400/1455

SOUTH AFRICA

UNITA OFFICERS ATTEND SADF 32 BATTALION ANNIVERSARY

Origins of Unit

Johannesburg THE CITIZEN in English 31 Mar 86 p 9

[Article by Keith Abendroth]

[Text]

TOP-RANKING officers of Angola's Unita movement were among the guests of honour — and given VIP treatment — at a special birthday celebration in the operational area of the crack South African Defence Force unit, 32 Battalion.

"Three-two" — as the unit is known and held in high esteem in military circles in different parts of the world — celebrated its 10 th birthday with a colourful military parade at its operational base, Buffalo, on the banks of the Kavango River.

The unit was formed in 1976, at the beginning of the "real" border war, when it was made up of a rag, tag and bobtail collection of fleeing Portuguese-speaking Black sol-

diers from the FNLA (Forca Nacional de Liberaçao de Angola).

Since then it has been moulded into an elite unit of the SADF — but a showpiece unit because of the frequently hush-hush nature of its operations.

The unit had its embryo beginning in the 1975 Angolan war when the FNLA forces, who were left leaderless, were placed under the command of South African officers.

After the Angolan war refugee groups were placed at the present Buffalo base — a green oasis virtually within a stones throw of enemy bases — and were known under the codename of Bravo.

The group was officially recognised as a South African Army unit on March 27, 1976, and in October of that year the name Bravo Group was

changed to 32 Battalion.

Since the founding of the battalion it has been utilised extensively in conventional, semi-conventional, counter-insurgency and guerrilla roles.

In August last year the unit became the first ever to receive its colours, in a special parade, in the operational area.

All four men who have commanded the unit through the years were at last Wednesday's parade — the legendary Colonel Jan Breytenbach (1976-77); Commandant now Brigadier Gert Nel (1977-78); Commandant, now Colonel D Ferreira (1979-1982); and Colonel Eddie Viljoen (December 1982).

Col Viljoen, the present OC, has been with the unit since its inception, and was the original second in command when it

was formed.

The unit — a well-known fact emerging from intelligence feedback from Angola — is the dread of Swapo forces in Angola. And it is well known that official Angolan Fapla, Cuban, East German and Russian groups in Angola go out of their way to avoid any contact with "three two".

The badge of the unit is a silver buffalo head with two crossing arrows with the scroll "proelio proculsi" (forged in battle) underlining the head.

The birthday parade was conducted in three languages — Portuguese, English and Afrikaans. Most of the troops are Black Portuguese — and at the parade for the first time nine Black Portuguese-speaking soldiers received their commissions as officers.

UNITA Officers' Praise

Johannesburg THE CITIZEN in English 31 Mar 86 p 4

[Text]

**SENIOR** Unita officers . . . taking a break in their preparations for the expected heaviest campaign yet against the movement by Angolan Fapla forces — had high praise for "Three-two" at the parade.

Members of the group accorded VIP treatment at the parade, said Unita held the unit in the highest possible esteem. They confirmed the unit's reputation was a legend among Black soldiers as far north as Zaire.

Brigadier Niza Poena said that the attendance at the parade of the Unita men was to pay special tribute to the unit and to express solidarity in the fight of the battalion and Unita against the common enemy, Russian imperialism.

Members of the group were reluctant to speak about the promised American logistical and military hardware aid

they had been promised by the Reagan Administration — but said that it could be critical to the expected conventional warfare campaign now being mounted against Unita by Angolan forces.

Unita, they said, had "hard and fast" control of a good 50 percent of Angolan territory at present and the coming battle could be decisive.

The campaign is expected to begin in about a month's time after the end of the rainy season and this time it is expected to be the bitterest yet of the annual Fapla effort to eliminate Unita.

This is because of stepped-up involvement in the Fapla forces of crack Russian, Cuban and East German soldiers — and the fact that Russian-built MiG 23 attack aircraft will be flown for the first time by Russian pilots.

/9317  
CSO: 3400/1451

SOUTH AFRICA

TREURNICHT WARNS ON 'OWN AFFAIRS'

Johannesburg THE CITIZEN in English 27 Mar 86 p 4

[Text] House of Assembly--The concept of "own affairs" was one which involved every facet of a community's existence and not only the small number listed in the constitution, the leader of the Conservative Party, Dr Andries Treurnicht, said.

Speaking in the second reading debate on the House's 1986/87 budget, he asked "how on earth" the National Party Government believed it could, with its power-sharing policy, create a united society in South Africa out of all the divided communities, as this was impractical.

Referring to his party's policy of partition as a constitutional solution for South Africa, Dr Treurnicht said Christian attitudes and the concept of reconciliation were much in vogue in politics these days.

These did not, however, mean that all the different communities in the country should be forced into a unitary system against their wishes.

The Minister of the Budget, Mr F.W. de Klerk, had said earlier in the debate the principle of "own affairs," within a framework of maximum self-determination, was the key to peaceful co-existence in South Africa.

Dr Treurnicht said he agreed with this, but that the original concept of self-determination had been so "hollowed out and watered down" by the NP that it did not mean the same any more.

In the Government's power-sharing policy, there would not be real self-determination for the different communities in the country, particularly not for the Whites.

He called on Mr De Klerk to explain how he saw self-determination, especially that for Whites, in terms of the policy that one group should not dominate another.

/9317  
CSO: 3400/1455

## WHITE EDUCATION UNDER 'OWN AFFAIRS' CABINET

Johannesburg THE CITIZEN in English 31 Mar 86 p 4

[Article by Brian Stuart]

[Text]

CAPE TOWN. — All White education, including provincial education departments and responsibility for private schools, will formally pass into the hands of the White "Own Affairs" Cabinet of the House of Assembly Tomorrow.

The Minister of Education and culture in the House is Mr Piet Clase, who was last week allocated R3 069,3 million for White education in the year ahead.

The single allocation in the Budget of the House of Assembly replaces the four allocations by Provincial Councils, which are due to be disbanded in July.

Each of the four provincial education departments will remain intact, although responsible to Mr Clase and not to a

provincial MEC in charge of education as in the past.

Existing provincial education ordinances will be deemed to be Acts of the House of Assembly. This means that for the moment all ordinances and regulations governing school boards, school committees, staff matters and schools themselves will remain in force.

However, when the provincial councils meet for their final sittings in the next two months, they will have no further say in educational matters.

Black education remains a "General Affair", requiring legislation piloted through all three Houses of Parliament. The political head of Black education is Dr Gerrit Viljoen, Minister of Development Aid and of Education and Training.

/9317  
CSO: 3400/1451

SOUTH AFRICA

POLICE SAY ANC ORGANIZING CAR THEFTS

Johannesburg THE STAR in English 24 Mar 86 p 3

[Text] The spate of hijacking and vehicle robberies in and around Soweto and Alexandra over the last two weeks were part of the African National Congress campaign to make the country ungovernable, says Major-General Jan Coetzee, Soweto's Divisional Commissioner of Police.

"This is my personal conviction, but we are half-way to proving it through our investigations," he said.

In the last two weeks gangs of youths have robbed Soweto motorists of 60 vehicles and drivers in Alexandra and surrounding suburbs of 91.

So far 43 suspects have been arrested and 39 cars recovered from Alexandra after police formed two special investigation teams.

On Thursday two youths were shot dead by police during a high-speed chase through Alexandra after they and a gang forced a motorist from his car in the township.

The vehicles were stolen--often at knifepoint by youths brandishing petrol bombs--in the suburbs of Bramley, Kew, Marlboro and Wynberg.

General Coetzee said the robberies were being carried out by the banned movement's youth brigade, and its junior military arm, and were part of a well-organised plan to make the country ungovernable.

/9317  
CSO: 3400/1455

SOUTH AFRICA

AHI PRESIDENT GIVES PRIORITY TO BOOSTING ECONOMIC GROWTH

Johannesburg THE CITIZEN in English 31 Mar 86 p 8

[Text] Boosting the current low economic growth-rate in South Africa was an immediate priority, the Afrikaanse Handelsinstituut said in a statement released yesterday.

At the same time, attention should be given to a more comprehensive strategy--in the longer term--to ensure continued expansion of work opportunities and upgraded living standards in the future.

"The AHI regards the latter (Improved living standards) as a prerequisite for future political development in South Africa."

The statement was issued by Mr Donald Masson, president of the AHI, after an executive meeting in Cape Town last week.

"The AHI is of the opinion that an increase of the current unsatisfactory low growth-rate is a matter of immediate priority," the statement said.

"At the same time, however, attention should also be given to a more comprehensive strategy to ensure continued expansion of work opportunities and enhancement of living standards in future.

"Concerning the immediate problem, reduced government spending, as indicated in the recent budget, has created a greater opportunity for the private sector to play a part in an economic upswing."

It was of primary importance that the budget-figures should not be exceeded. At the same time, energetic efforts should be made to improve the business climate to persuade private consumers and businessmen to take an active part.

Recently announced monetary growth-targets apparently made provision for a limited increase in current money supply. This created an opportunity to further aid the business climate and the economic upswing through monetary policy.

**South Africa's commitment to repay its foreign debt would inevitably limit its longer term ability to stimulate economic growth, the AHI said.**

**"For this reason the AHI supports the authorities in their efforts to normalise South Africa's payments flow as soon and as far as possible."**

**The AHI accepts that growth-stimulation policy should be adjusted from time to time, depending on developments with regard to repayment of debt.**

**As far as the longer term strategy was concerned, more training and schooling of the South African labour force remained a main priority.**

**But persuasion, aimed at organised labour appeared to be equally important. Unpractically high wage demands could, to a large extent, negate job creation efforts because of lower employment and greater mechanisation.**

**Job creation was of primary importance considering, among others, increased urbanisation of Blacks coinciding with the relaxation or scrapping of influx control.--Sapa**

/9317  
CSO: 3400/1455

SOUTH AFRICA

**CONSTRUCTION OF DIPLOMATIC MISSION IN MOZAMBIQUE BEGINS**

**Johannesburg THE STAR in English 25 Mar 86 p 10**

**[Article by John D'Oliveira]**

**[Text]**

**Work has started on the R10 million building complex South Africa will put up in Maputo to house its diplomatic mission to Mozambique.**

The project marks a foreign affairs milestone in that the buildings are the first of their kind in black Africa.

It includes an impressive two-story embassy — to be built on a prime site in central Maputo — with 16 two, three and four-bedroomed town houses for staff.

South Africa already owns a home for its Head of Mission in Maputo.

Because of a shortage of skilled workers in Mozambique, sections of the embassy and townhouses are being prefabricated in Durban.

These will be shipped to Maputo when the final go ahead is received from the Mozambique authorities.

When Foreign Affairs Minister Pik Botha visited Maputo for top-level discussions last month, he is believed to have asked Mozambique to speed up final approval for the building, which is

intended to confirm South Africa's commitment to its Nkomati Accord-based relationship with Mozambique.

Final approval has not yet been given, but the South Africans are clearly confident enough to have started the prefabrication in the hope that staff will be able to move into the embassy by the end of this year and into the townhouses early next year.

The embassy will be built on the large piece of ground South Africa owns in central Maputo surrounding its old consul-general's residence, which is now used as offices by the South African mission to Maputo.

Once the new building has been completed, the old house will be demolished.

Staff townhouses will be built on separate plots close to the embassy.

With a main entrance on Avenida Eduardo Mondlane, the embassy will provide accommodation for the Head of Mission and for between 50 and 70 staff.

It will also have a self-contained area for entertainment.

/9317  
CSO: 3400/1451

SOUTH AFRICA

BRIEFS

SENIOR MILITARY PROMOTIONS--The Chief of the SA Defence Force, General Jan Geldenhuys, announced a number of senior promotions and appointments in the Defence Force at the weekend. Brigadier J.J. Boschoff becomes Major-General and Inspector-General of the SA Army from March 1; Brigadier B.A. Ferreira is promoted Major-General and to the Staff of the Chief of the Army from April 1; Brigadier C.J. van Tonder is promoted Major-General and to the Staff of the Chief of the Defence Force from April 1; and Major-General W.J. Badenhorst, presently Inspector-General of the Army, has been appointed to the Staff of the Chief of the Defence Force, from March 1. [Text] [Johannesburg THE CITIZEN in English 31 Mar 86 p 9]  
/9317

CSC: 3400/1455

SOUTH AFRICA

ALL RACE SMALL BUSINESS FORUM OPENED IN JOHANNESBURG

Johannesburg CITY PRESS in English 23 Mar 86 p 8

[Text]

A SMALL Business Forum – open to all races – has been established in Johannesburg.

The forum is intended to provide a meeting place for "small business" businessmen who are unable to get out during the day or to leave their businesses for any time.

Because they usually run "one-man shows", these businessman usually miss the many daytime seminars, conferences or meetings on the circuit.

They also miss out on information on issues such as tax-benefits or shelters, financial assistance, planning and advice, import concessions, accounting schemes, and general advice.

The SBF plans to hold regular bi-monthly meetings, at which speakers from all fields of business will participate.

The presentations will be followed by open question session, where businessmen can share ideas.

The forum also intends to start a reference library for members, with subscriptions to financial and specialist publications. It will also buy manuals, handbooks and other reference works – and lend these out to members.

This will give small businesses access to information which they can't usually afford.

The SBF will also represent small businessmen in discussions with the authorities.

Membership is open to all business people running their own small businesses.

The membership fee is expected to be R20 a year and the cost of attending each meeting – which includes dinner – will be R25 per person.

Enquiries should be made to Rob Solomon at 786 3120 or his brother Steven at 440 5226/7.

/9317  
CSO: 3400/1454

SOUTH AFRICA

## FIVE NON-RACIAL SECONDARY SCHOOLS BEING ESTABLISHED BY NEST

Johannesburg CITY PRESS in English 23 Mar 86 p 8

[Text]

UP TO five non-racial secondary schools are soon to be established by the New Era Schools Trust, which intends demonstrating the "viability and effectiveness" of multi-racial education.

Nest is directed by former St John's College headmaster Deane Yates, founder of the non-racial Maru a Pula School in Botswana.

Yates said the first of these schools - currently being built at a cost of R8.4-million - would open in Natal in January, and has been funded by the Anglo American and De Beers' Chairman's Fund.

Initially, 60 Standard Six pupils will be enrolled, followed by a yearly enrolment of 60 pupils in two streams of 30.

Nest's aims coincide with the 1981 De Lange Report on Education, which recommended the implementation of equal opportunity for education.

The second school will be near Grahamstown and the third in the Transvaal.

A further two schools are planned for other parts of the country pending planning and consultation with local communities, Yates said.

The objective of the schools, said Yates, was to achieve parity between the races with the population groups in the regions being fairly represented.

The schools will be co-educational and half the pupils will be boarders.

The first three schools will ultimately accommodate 300 pupils each.

Yates said Nest was not attempting to create elite schools nor were geniuses being exclusively sought, but the best kind of education was being offered.

"What we are really try-

ing to turn out is well-balanced and well-educated South Africans of all races who have learned to live with one another," Yates said.

"Five years of planning went into the project and great care was taken to find sites for the schools, which were in racially indeterminate areas. This means the school can grow up organically in the veld, as it were, rather than face the difficulties of being in the midst of a more racially restricted environment," he said.

The board of trustees of 22 educationists and businessmen is chaired by former Wits University principal and vice-chancellor Dr GR Bozolli with the University of the North's Prof PF Monahoe as deputy chairman.

Barlow Rand chairman Mike Rosholt heads the national and international fund raising committee.

An extensive bursary scheme will be offered, said Yates.

/9317  
CSO: 3400/1454

SOUTH AFRICA

**BLACK HOMES SALES SOAR DESPITE UNREST**

**Johannesburg THE STAR in English 29 Mar 86 p 2**

**[Article by Winnie Graham]**

**[Text]**

The Government's mass sale of houses, started three years ago to encourage homeownership among people of all races, is gathering so much momentum in black townships that, despite the unrest, sales figures are expected to reach the 100 000 mark before the end of 1986.

And a secondary housing market among blacks is developing with properties bought for R1 200 two or three years ago now changing hands at between R12 000 and R15 000.

Recent township house sales figures show a decided upward trend. In December 638 homes were sold nationwide in black townships. In January the figure went up to 667 and last month stood at 717. Now there are plans to push sales up to 8 000 houses a month.

Mr Alex Weiss, of the Department of Constitutional Development and Planning, said yesterday the mounting interest in homeownership was all the more remarkable because of the ongoing turmoil.

And, though privately owned homes were conspicuous by their well-cared-for appearance, few had been damaged in riots and burnings.

When the homeownership scheme was first mooted in 1983, 500 000 houses went on sale. It was slow to take off. Now, it seems, initial reservations are disappearing. To date 41 000 houses have been sold. Tenants of the properties hold pre-emptive rights and are being encouraged to buy.

A massive advertising campaign was being planned from mid-April when firms would be sent information on housing and all women's organisations, from the Vroue Federasie to the Black Sash, approached for assistance.

Mr Weiss said black local authorities and development boards were keen to encourage homeownership and were launching their own housing schemes.

/9317  
CSO: 3400/1454

SOUTH AFRICA

PORt ELIZABETH BLACKS MOURN SACP LEADER

Johannesburg THE CITIZEN in English 1 Apr 86 p 4

[Text]

**PORt ELIZABETH.** — Defying a ban on outdoor gatherings, an estimated 20 000 Blacks yesterday attended a memorial service for Moses Mabhida, the South African Communist Party leader who died in exile on March 8.

The service was held in a soccer stadium in Zwide, Port Elizabeth. Security Forces deployed near the stadium, but a reporter at the scene said they did not interfere.

During the four-hour service, Mr Mkhulesi Jack, chairman of the Port Elizabeth Black Civic Organisation (PEBCO), announced that a Black consumer boycott of White-owned businesses in Port Elizabeth would resume on April 1.

A similar boycott was conducted for four

months last year and took a heavy financial toll on White businesses before Black leaders suspended it.

Mr Jack said the principal motive for renewing the boycott was "the recent killings of Blacks by police, including 11 deaths last Wednesday during a disturbance in the township of KwaZakhele near Port Elizabeth." Funerals for the victims are scheduled to be held next weekend.

"We are going to boycott until they come to speak to us on a man-to-man basis," Mr Jack said.

"The boycott is the only language they can understand."

Gesturing to the nearby police and army units, Mr Jack asked: "When are they going to get time to relax with their families

when they are watching us all the time?"

At one point during the service, the crowd observed a moment of silence for Mr Mabhida, and many of the people raised clenched fists in the air.

Mr Mabhida, who was buried with military honours on Saturday in Maputo, was general secretary of the South African Communist Party and a member of the executive committee of the African National Congress.

His family had planned to bury him in South Africa, and tens of thousands of mourners were expected to attend. But the funeral was switched to Mozambique after South African authorities said only family and close friends could participate in the service. — Sapa-AP.

/9317  
CSO: 3400/1454

SOUTH AFRICA

BRIEFS

COCA-COLA FUND FOR BLACKS--Washington--Coca-Cola has announced a gift of R20 million to create new South African foundations to open opportunities for blacks in business, housing and education. The foundations, to be called Equal Opportunity funds, are to be run by a board of South Africans, including Bishop Desmond Tutu of Johannesburg and Dr Allan Boesak, churchman and one of the founders of the United Democratic Front. "We are putting our money where our mouth is," said Mr Carl Ware, Coca Cola's vice president of urban affairs. [Text] [Johannesburg THE STAR in English 25 Mar 86 p 1] /9317

CSO: 3400/1454

SOUTH AFRICA

POSSIBILITY OF PIK BOTHА FOR STATE PRESIDENT PRESENTED

Johannesburg THE STAR in English 29 Mar 86 p 4

[Commentary by David Braun]

[Text]

The time is probably closer than most people realise when the State President will no longer be elected just because he is the choice of the National Party.

And that does not mean that he or she would be the choice of the Conservative Party.

Under the present Constitution the President is chosen by an electoral college appointed after the election of a new Parliament.

The electoral college is made up of 50 members of the governing party in the House of Assembly (whites, and at present, Nationalists), 25 members of the majority party in the House of Representatives and 13 members of the majority party in the House of Delegates.

This gives the white governing party a majority of 12. If just 45 of the white members of the electoral college vote for the same candidate, that person will be the State President.

It is not clear what would happen if some of the white members teamed up with the coloureds and Indians to form a majority against their colleagues.

Presumably there could be legal repercussions if white MPs voted for someone other than the candidate they were directed to support by their party caucus. It would be highly unlikely that the caucus of that party would nominate MPs who might be tempted to try such a stunt, so this scenario is likely to remain hypothetical.

What is much more likely to happen in a near-future presidential contest is a compromise deal between the various governing parties in the National Party's system of power-sharing. And in this regard there are some interesting theories.

If it comes to pass that black groups are successfully incorporated in a power-sharing system, such as a geographical/racial federation the Government is currently toying with, the issue of who gets the presidency is going to be very sensitive.

It is highly unlikely that the National Party will allow any system which enables a powerful presidency to fall into any but its own hands.

On the other hand, if the National Party expects to continue to be able simply to impose its sole choice of president on the other groups then the system is unlikely to be viable.

Observers believe that the minimum the National Party, or any other white governing party for that matter, could expect to get away with would be a compromise candidate — a person who is the most acceptable to the majority.

In this regard the only name mentioned is the Minister of Foreign Affairs, Mr Pik Botha.

It is being said that Mr Botha has been catapulted to the forefront of the presidential stakes because of his recent remarks that he would be prepared to serve under a black president.

**Far from losing credibility because of the humiliating dressing down he got from President Botha for making the remarks, Mr Pik Botha has apparently gained considerable support.**

Nationalist insiders say that he received immediate support from not only a large section of the party's MPs and membership, but also from surprising quarters elsewhere in Parliament.

But what has happened outside Parliament and white politics, they say, has been even more astonishing.

Mr Pik Botha probably has the highest credibility rating of any Nationalist leader in the black community at large, they say. His admission on the black president has seen to that.

Within the system he remains the

popular choice of the white electorate.

A random survey of coloured and Indian MPs shows that among Nationalist politicians he is definitely their choice for the presidency.

Mr Pik Botha's only problem area — a key area — is the limited support he enjoys within the NP caucus.

However, his supporters say that his courage in stating his views on the black presidency has increased caucus support. Certainly it has caused the estimated 40 or so MPs (out of 127) who support him to rally closer to his leadership, they say.

It is only a matter of time for many more to see that he is the one white politician in the country who has the broadest support among all the communities — and that he is the whites' best chance of leading the country out of its turmoil.

/9317  
CSO: 3400/1458

SOUTH AFRICA

CORRESPONDENT SUMMARIZES EVENTS IN PARLIAMENT

Johannesburg THE STAR in English 2 Apr 86 p 16

[Article by David Braun]

[Text]

Parliament broke up for the Easter recess last week, traditionally a kind of half-term mark in the annual session.

The first part, up to the recess, was action-packed, but not much happened on the reform front.

This was supposed to be the year of implementing last year's promises, or at least that was what many Nationalists said in January.

And sure enough the session got off to a powerful start with a slick speech by President Botha.

"We have outgrown the old outdated colonial system of paternalism as well as the outdated concept of apartheid," he said.

Then he went on to set out a seven-point credo of his Government's commitment to certain fundamental human rights, and he announced the establishment of a National Statutory Council on which black leaders could sit with Government representatives to discuss matters of mutual concern, including legislation.

Ministers privately said that the council could even be regarded as a kind of extension to the Cabinet, because black leaders and Ministers would jointly take decisions at the highest level.

The Government was apparently hoping that at least Chief Mangosuthu Buthelezi would be persuaded to take up the offer.

But he was not so easily taken, and after first appearing to lean towards the idea, moved away after the President repudiated Mr Pik Botha.

Then transcripts were published of a conversation between President Botha and the former PFP leader, Dr Van Zyl Slabbert, which referred to the Chief as the "only bull in the kraal".

By the time the recess started, the National Statutory Council appeared to be stillborn, with even senior Government officials admitting privately that it was unlikely to ever see the light of day.

Meanwhile, the Government had embarked on a lavish propaganda blitz at home and abroad, spending hundreds of thousands of rands in an effort to sell what it termed the "reality" of South Africa.

Among other things, the President promised that the pass system would be scrapped by July 1; a common identity document would be issued to everybody; and, in the near future, existing influx control measures would be abolished in favour of a system of urbanisation that applied to all South Africans.

"Our policy is one of encouraging development. Not controlling movement," the advertisement blitz trumpeted in just about every newspaper in the land.

At the end of the first week of the session two dramatic developments eclipsed both the President's speech and his advertisement.

### Resignation

President Botha repudiated Mr Pik Botha for his admission that under certain circumstances he would be prepared to serve under a black

president; and Dr Slabbert announced his resignation from parliamentary politics because of his disillusionment with the Government's sincerity and ability to really change.

However, both the Foreign Minister and the Progressive Federal Party bounced back and within weeks everything was back to normal (well, at least as normal as they can be in times such as these).

Mr Colin Eglin and his young lions took over the leadership of the PFP and now the party is working possibly harder to extend its support base and gain credibility both inside and outside Parliament.

Regional politics continued to bubble away. The Lesotho Government was toppled after South Africa's border blockade, Botswana booted out the ANC and Mozambique and South Africa got together for their first talks since last year's "technical violations" of the Nkomati Accord.

Internal unrest showed little sign of abating, and Alexandra (outside Johannesburg) and Kabokweni (outside White River) were added to the list of tragedies in which many people died in violent confrontation with the police.

Krugersdorp was the scene of an ugly white backlash, with sinister manifestations of organised far-right militancy and mysterious incidents of unknown whites attacking blacks.

The President lifted the seven-month state of emergency on March 4. The Government was dealing with legitimate grievances with a view to their elimination, he said.

Much of the first part of the

session was taken up with the various budgets. Rail and air tariffs and fares went up between 10 and 15 percent, postal services by up to 20 percent.

One thing that did not go up by as much as many MPs would have liked was the remuneration of political office-bearers.

A report released by the Schlebusch Committee which investigated parliamentarians' pay sparked such public outrage that only one party (the NRP) dared support its recommendations for an immediate 50 to 106 percent raise.

However, the Government decided, that for the time being, MPs should get the same 10 percent that the public service had been granted.

The Minister of Finance, Mr Barend du Plessis, presented a Budget which he said would stimulate economic growth while also uplifting sections of the population most in need.

Critics said it failed to provide an urgent solution to an emergency situation. It was not doing enough to put people back in work.

The Government tried to call Angola's bluff by proposing to implement the United Nations independence plan for Namibia from August 1, provided that a satisfactory agreement on the withdrawal of Cuban troops from the region could be reached by then.

As the first part of the session drew to a close it had become obvious even to many in the Government that only the release of Nelson Mandela and the unbanning of the ANC would be able to get the negotiations show on the road.

The Government has been very

keen for some time to release Mr Mandela, but it is worried that this might spark massive violence nationwide.

President Botha tried to open a second door in this regard when he opened Parliament, and for the first time offered to release Mr Mandela on humanitarian grounds on condition that certain Russian dissidents and a South African captive in Angola were also freed.

## Negotiations

The unobtrusive forays into South Africa by the Commonwealth's Eminent Persons Group apparently centred on an agreement to release Mandela and ban the ANC in return for the ANC agreeing to renounce violence and call for an end to the unrest.

These very delicate negotiations continue.

When the MPs come back from their Easter break they face a daunting legislative programme.

Still to be handled before the end of the session are the promised laws on black citizenship; the removal of restrictions on Indians in the Free State; the scrapping of the pass system and the introduction of a uniform identity document for all race groups; and the new constitutional arrangements for second-tier government to replace the provincial councils.

Besides all this, the Government will have to find fresh initiatives to get the negotiation process going.

It must have something concrete to present to the extraordinary federal congress of the National Party in August.

/9317  
CSO: 3400/1458

SOUTH AFRICA

COMMENTARY VIEWS FAILURE OF MACHEL'S SOCIALIST POLITICS

MB021153 Johannesburg International Service in English 0630 GMT 2 Apr 86

[Station Commentary: "Communism's Empty Promises"]

[Text] The report that about 5 million people in Mozambique still face starvation illustrates the seriousness of the situation in the country. Western aid officials in Maputo say that despite massive pledges of Western food aid, starvation is creeping across the entire country and farmers are being driven from their lands because of the fighting.

Ironically, at this very time, President Samora Machel is on a visit to the Soviet Union, where his country's main problem can be said to have originated. The simple fact is that socialistic policies in Africa, including Mozambique, have been a dismal failure. They also have been a dismal failure in the country of origin, the Soviet Union. The communist dream of a Soviet Union that would surpass the United States and become a model for the whole world has been shattered. There is little doubt that after nearly 70 years of communism, the Soviet Union is in serious trouble, in spite of its success in building a military machine, which is the only thing that qualifies the country as a super-power.

The standard of living of the average person in the Soviet Union is poor and is becoming even more so. The Soviet Union, in fact, suffers from all the ailments of the Third World countries which have adopted its policies. In Africa, these policies were the hallmark of former President Julius Nyerere of Tanzania, who in 25 years had the distinction of turning his once prosperous country into a beggar nation. His socialist policies modeled on the Soviet Union transformed Tanzania into one of Africa's greatest economic disasters. Far worse, he influenced other African countries in the same direction. Mozambique is one of the best examples of this.

When Frelimo came into power in Mozambique in 1975, President Machel introduced the same socialist policies as his counterpart in Tanzania. The results have been equally catastrophic, if not more so. The country continues to be wrecked by civil wars, industry is virtually nonexistent, the infrastructure is crumbling into ruins and the people are starving. The only commodity, which the [word indistinct] country can provide is weapons, and in order to pay for this

it has little option but to see its natural resources milked dry by the Soviet Union. One of the reasons why Mozambicans are starving is because their rich fishing waters are being exploited by the Soviet Union.

As the former American secretary of state, Dr Henry Kissinger, once remarked: In case after case, the socialist models have brought near bankruptcy to countries which are endowed with natural and genuine resources and vast potentials.

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CSO: 3400/1463

SOUTH AFRICA

COMMENTATOR ON TROUBLES FACING COSATU

Durban POST NATAL in English 26-29 Mar 86 p 12

[Commentary by Kanthan Pillay]

[Text]

JAY NAIDOO, general secretary of the Congress of South African Trade Unions, is not particularly perturbed over recent developments on the labour front.

Recent developments have seen Chief Mangosuthu Buthelezi's Inkatha movement take steps towards setting up a rival trade union grouping. It has also seen an increasing number of mass dismissals of Cosatu-affiliate members by mining companies in the Transvaal.

Against this background, Naidoo this month led a Cosatu delegation — which included assistant general secretary Sydney Mafumadi and National Union of Mineworkers' president Cyril Ramaphosa — in major talks outside the country.

The first was a landmark meeting with the banned African National Congress and the

South African Congress of Trade Unions in Lusaka.

The second was an introductory meeting with the International Labour Organisation — at the ILO's request.

The top-level ANC delegation was headed by its president Oliver Tambo and included publicity chief Thabo Mbeki, *Umkhonto we Sizwe* (the ANC's military wing) political commissar and deputy commander Chris Hani, senior political department official Mac Maharaj, and senior South African Communist Party official and ANC executive member Joe Slovo.

The Sactu delegation was led by its general secretary John K Nkandemeng.

The meeting, Naidoo said, resulted out of a common concern of the three groupings arising from the economic, social, and political crisis in South Africa.

### Common

"We had common understanding that the Pretoria regime and the ruling class are powerless to provide any meaningful solutions to the general crisis," Naidoo said.

"We agreed that lasting solutions can only emerge from the national liberation movement — headed by the ANC, and the entire democratic forces of our country — of which Cosatu is an important and integral part."

The three groups, he said, had acknowledged that the emergence of Cosatu was an historic event in the process of uniting the working class.

And after extensive discussions on the internal and international situation the three delegations agreed on a number of important issues:

- They agreed that the solution to the problem facing South Africa lies

**In the establishment of a system of majority rule in a united, democratic, and non-racial South Africa.**

- Further, such a system could not be separated from economic emancipation.

"The Cosatu delegation explained that the principal political task facing our federation is to consolidate our membership and affiliates," Naidoo said.

"This will effect conversion of the general unions which are part of Cosatu into industry-based unions within each industry; to bring about mergers to realise the principle of one union one industry; and to unite the entire working force of our country under the banner of Cosatu."

The delegation of the African National Congress, he said, also reported to the meeting on its policies, its programmes, its strategies, and tactics.

He said the three delegations had agreed that it was of central importance that the campaign for the immediate unconditional release of all political prisoners, including Nelson Mandela, should develop with even greater intensity.

Other priorities were:

- To get rid of Bantu education and to establish in its place one single democratic, non-racial free and compulsory system of education.

## Together

- Similarly, it had become imperative that workers together with all democratic forces work towards the elimination of the pass laws and the whole system of influx control and to prevent the Government from re-introducing the same system in any guise.

The delegations also agreed that no negotiations were possible "while the leaders of the people were in prison and while the Pretoria regime refused to accept that our country should be governed by all its people — both black and white as equals.

"It was recognised that the fundamental problem facing our country — the question of political power — cannot be resolved without the full participation of the ANC which is regarded by the majority of the people as the overall leader and genuine representative."

The meeting between all three organisations, he said, had been characterised by overwhelming optimism.

The meeting with the ILO, had been conducted in a similar vein.

"The ILO was very eager to discuss the South African problem," Naidoo said. "They recognised the formation of Cosatu as the most important step in the development of the worker struggle. There will be ongoing discussion between us."

Naidoo said Cosatu's overtly political role had emerged because workers' problems arose primarily from the political situation.

"We do not see Cosatu as a political party but as an active participant in the struggle for freedom. It is as a result of political policies that workers suffer hardship and it is therefore important that the federation take action."

He said Cosatu had a duty to ensure that when change did come, it would be fundamental.

"Justice for us means social, economical, and political justice: freedom from poverty, and a meaningful educational system.

"Politics for workers is not simply a question of changing governments. We must be able to realise our full potential as human beings.

"It is important for us to make sure that change does not merely change the skin colour of our repression."

/9317  
CSO: 3400/1453

SOUTH AFRICA

COMMENTATOR ON INKATHA'S CHALLENGE OF COSATU

Durban POST NATAL in English 26-29 Mar 86 p 12

[Commentary by Kanthan Pillay]

[Text]

**CHIEF Mangosuthu Buthelezi's Inkatha movement has taken on the giant Congress of South African Trade Unions with the announcement of the formation of a new trade union federation.**

A commitment towards "free enterprise" and fighting disinvestment are the main policies of the United Workers' Union of South Africa — formed primarily in opposition to Cosatu which opposes free enterprise and supports disinvestment.

Uwusa's formation was first suggested by Inkatha's leadership after it had denounced Cosatu as "another surrogate" of the banned African National Congress.

Chief Buthelezi described Cosatu as "a pariah organisation swooping down on society to take the pickings of black frustration and anger".

It was workers in unions affiliated to Inkatha, he said, who had demanded that Inkatha do something about Cosatu.

Mr M P Gumede, an ex-leader of the Cosatu-affiliated Paper, Wood, and Allied Workers' Union is reported to be heading the organising committee which is to oversee the May launch of Uwusa.

Inkatha labour specialist, Simon Conco, said earlier this year that there was a strong feeling that "something has gone radically wrong since the establishment of Cosatu and workers were against being used to advance its political aims".

Future organising strategy, he said, would involve encouraging all unions opposed to Cosatu to join the new federation. And workers wanting to establish new unions will be assisted to do so.

/9317  
CSO: 3400/1453

SOUTH AFRICA

'PEOPLE'S EDUCATION' SYSTEM SEEN AS EMERGING FROM NECC

Johannesburg THE STAR in English 1 Apr 86 p 11

[Article by Susan Pleming]

[Text]

The decision taken at the National Education Crisis Committee Conference (NECC) this weekend that black pupils resume classes tomorrow may help break the pattern of boycotts which have ravaged black schools for the past few years.

Since the 1984 elections black schools have experienced serious stayaways and the poor matriculation results since then have showed the effects of these constant academic disruptions.

The return-to-school decision taken by 1500 parents, pupils and teachers at the Durban conference was unanimous, say NECC organisers. But the decision was made on condition that a "people's education" system was soon introduced.

A "people's education" committee has been appointed to examine the needs in black education and develop a new education policy within three months.

### May Day stayaway

This new education will not be based on the white education system as this represented education for dominance and was unacceptable. The new system would enable children

to develop their talents to their full potential, said Dr Beyers Naudé at the opening address.

An important political development is that children will no longer be the focus of the struggle. The NECC stressed united mass action involving the whole community would be used to fight for a nonracial democratic South Africa. Rent and consumer boycotts were mentioned as some of the actions around which communities could rally.

To show the importance of community involvement the conference called for a national stayaway for the 100th anniversary of May Day. It also called for a national stayaway on June 16, 17 and 18 to mark the 1976 Soweto uprisings.

That children have agreed to return to class is remarkable, say many educationists. Before the national education conference in December last year, many children wanted to launch a full year's boycott in 1986 to mark the 10th anniversary of the Soweto uprisings.

There has been a shift from the popular slogan of 1985 "liberation now, education later". Education has now become important in reaching that liberation.

Before this weekend's meeting several organisations and educationists feared the vote would swing to a "no school year". Only some of the demands placed on the Government at the December conference had been met.

## Reagan accused

The Government was given until the Durban conference to meet these demands, otherwise "appropriate action would be taken". The demands included the lifting of the state of emergency, the unbanning of the Congress of South African Students and the release of all detainees.

The NECC complained that the Government had not "adequately met" the demands, but because the children recognised the importance of being at school, the vote had been to resume classes.

"There is a determination of the children to return to school, but they also expect that sooner or later they will be given a relevant people's education."

The conference slammed the

Government for its "intransigence" in not unbanning the Congress of South African Students. It also called for the release of all political prisoners, the end to all treason trials, lifting of banning orders on meetings and for apartheid to be "completely dismantled."

Unlike the December conference which gave the Government three months to meet various demands or "face appropriate action", none of the resolutions passed at the Durban conference hinged on the children remaining at school.

New demands made at the Durban conference included that countries, corporations and individuals with investments in South Africa be asked to withdraw them immediately. The Reagan Administration was also accused of "bolstering" the South African Government through its policy of constructive engagement.

## 'Fight Inkatha'

The NECC also called on "obstructive organisations and teachers to stop collaborating

with the authorities." The alleged repression of progressive teacher organisations through dismissals and involuntary transfers was slammed.

Although the NECC is positive pupils will return to school tomorrow, if the Government does not improve the deal for black pupils it is likely regional boycotts could again erupt.

In spite of the earlier NECC call to resume classes, when black schools closed for the Easter break class, boycotts had affected about 80 000 pupils.

NECC organisers said it was "a miracle that the conference took place at all." Hours before the meeting was due to begin a venue had still not been found and violence had left two people dead and scores injured.

The attack on delegates by alleged Inkatha members at the Pioneer Hall was criticised and Inkatha was declared "the enemy of the people".

The conference resolved to "expose, isolate and fight this fascist organisation". Putco was also condemned for "aiding and abetting the criminal activities of Inkatha".

/9317  
CSO: 3400/1453

SOUTH AFRICA

COMMENTARY CRITICIZES NECC 'POLITICAL AGENDA'

MB010605 Johannesburg Domestic Service in English 0545 GMT 1 Apr 86

[Station Commentary]

[Text] Although it is to be welcomed that at its conference in Durban this weekend, the National Education Crisis Committee [NECC] decided conditionally against a comprehensive black schools boycott, it has become apparent from its renewed demands that this organisation's top priority is radical politics--and not the welfare of the hundreds of thousands of pupils with whose future it is toying.

The conference was marked by a reluctance to give recognition to the positive steps taken by the authorities to remove many grievances in education. Also, as was the case with the December conference of the Soweto Parents Crisis Committee, it concentrated on political demands which fall outside the ambit of education.

A spirit of confrontation prevailed--which certainly did not promote the solution of difficult problems. The new demands include free and equal education for all race groups, the rebuilding of all damaged schools, the lifting of the ban on the Congress of South African Students [COSAS], and the withdrawal of the defense force from black residential areas. Equal education is already a declared goal of the government. However, it is known that the biggest single problem is the shortage of trained teachers.

Merely in order to keep pace with population growth, 8,000 teachers have to be trained each year. This is a backlog which was severely aggravated by last year's schools boycott. The construction of new schools and repairs to damaged buildings is obviously in the interests of pupils--but this can be done only in areas where there is stability.

The Department of Education and Development Aid has committed itself to such a program--this being another demand which is enjoying urgent attention. The demand for the lifting of the ban on COSAS definitely does not fall in the same category.

This organization was not banned because of the interest it evinced in black pupils--but because it has promoted unrest, violence, and arson at all schools

where it was represented. And there have been no signs of it altering its stand. Regarding the other flagrant political demands--the withdrawal of the defense force--it must be realized that the presence of the military men is the result and not the cause of the violence.

An end to the violence and intimidation would logically lead to the withdrawal of the defense force. At the same time, it would lead to the restoration of stability--a prerequisite for the construction and reconstruction of schools.

It can be stated unequivocally that the elimination of school fees, the provision of free books, the reconstruction of damaged buildings, the postponement of examinations and the recognition of elected Students Representative Councils number among the reasonable demands for improved education.

However, no mention was made of these issues at the conference. Rather, a spokesman said pupils should return to school to think up new and creative techniques designed to oppose the state. This is nothing but confrontation seeking--indicative of a poorly-disguised political agenda which will prove detrimental to black education in general.

/12232  
CSO: 3400/1463

SOUTH AFRICA

**PFP MONEY-RAISING CAMPAIGN TO BOOST MEMBERSHIP**

**Johannesburg THE STAR in English 24 Mar 86 p 3**

**[Article by David Braun]**

**[Text]**

**CAPE TOWN —** The largest slice of the R7,5 million raised so far in the Progressive Federal Party's intensive fund-raising campaign will be used to boost membership and to overhaul the management of the party.

PFP secretary general Mr Robin Carlisle said today the Progressive Trust for a New South Africa (the new name for the Van Zyl Slabbert Trust) was now the PFP's main finance source.

Payments and pledges to the trust, totalling R7,5 million before the name change (after Dr Slabbert's resignation), remained firm, he said.

The trust was expected to pass the R10 million mark soon.

Mr Carlisle said the bulk of the "new money" was going to be used to boost the PFP's 40 000 membership.

"Already 10 percent of our membership is black, and we hope to increase this rapidly. The key to the party's future is to increase black and white membership."

**American polling techniques**

"Once whites realise the PFP has substantial support in the black community, more will support us. Once blacks see that a large number of whites support us, more of them will see us as a party with prospects," he said.

To do this, the PFP was going to concentrate not only on Parliament but also on the political arena outside Parliament.

The PFP had launched Operation Outreach and a special task force to concentrate on negotiations to achieve this, he said.

A second channel for the new funds raised by the party was to revamp the PFP's management system, Mr Carlisle said. This would involve top professionals and systems.

The party would also use the latest American polling techniques to identify the crucial issues and voter groups in elections.

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CSO: 3400/1458

SOUTH AFRICA

COMMENTARY DISCUSSES IMPLICATIONS OF OIL GLUT

MB020607 Johannesburg Domestic Service in English 0545 GMT 2 Apr 86

[Station Commentary]

[Text] The fall of the oil price to its lowest level in a decade is no doubt going to have ripple effects throughout the world--ripples which will also reach the South African economic shores. But perhaps more important, is the very clear and classic victory for market forces in the 75 percent plunge in oil prices. Few of those who were old enough to be aware to world affairs in 1973 and 1974 will ever forget the shock and dismay which surrounded the two great oil crisis overnight. Arab oil producers, having organised themselves into a cartel called the Organisation of Petroleum Exporting Countries--OPEC--became possibly the most powerful political and economic force in the world. It held the world to ransom by simply putting a tap onto an economic lifeline.

At the same time, panic buying led to the oil price rocketing from below 10 dollars to about 40 dollars in half a decade. Literally thousands of millions of dollars flowed into Middle Eastern coffers. Formerly relatively poor countries were suddenly flooded with unbelievable wealth. In fact a new term was found for the international asset--that of "petro-dollars." For a while it seemed as if the world had seen the birth of one of the most powerful and frightening cartels ever.

It certainly was an organisation which its individual members, one would have thought, would have done everything possible to protect. But now, just over 10 years later, that dream lies shattered. The world has an oil glut, and the oil producers have severe economic problems. From a united, powerful force, OPEC has become little more than an alliance of the resentful. The oil producers have, with great impact, illustrated a basic economic truth: that price is a function of supply and demand, that price, in fact, cannot be used over an extended period in any other way but to balance supply and demand.

Overnight, the world started hunting for alternatives forms of energy. South Africa in particular, because of the added threat of a supply boycott, was a supreme example of the ingenuity that results from a large price imbalance. Within a few short years, virtually every individual in the world, as well as companies and countries, were finding ways of using less oil. Those who could offer alternatives, or who could develop new sources of supply profitably at

the new prices, did so. North Sea oil was one outstanding example. The net result was that not only did demand for oil fall, but supply increased, and the supply-demand pendulum has swung back with a force seldom witnessed in other markets. And the price will continue to fall until oil becomes cheap enough to use in new forms again, and/or too cheap to produce.

The lesson can be extended beyond oil. It is one to be taken note of by those who want to use South African minerals, for example, as political blackmail, or even those in the domestic economy who believe that price manipulation can continue indefinitely as long as there is a group which controls production.

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CSO: 3400/1467

SOUTH AFRICA

### ASSOCOM SAYS BUSINESS CONFIDENCE INDEX FALLS

MB011329 Johannesburg SAPA in English 1321 GMT 1 Apr 86

[Text] Johannesburg, 1 April, SAPA--The latest Business Confidence Index (BCI) --for March 1986--stands at 83.0, and has shown the first decline in 4 months.

The increase in the composite BCI over the period November 1985 to February 1986 has been interrupted by a small decline this March.

This development demonstrates again the fragility of business confidence in the current politico-economic environment, ASSOCOM (Association of Chambers of Commerce in SA) which conducts this monthly index.

"Although the recent reduction in the rate of inflation has been a positive development in shaping the business mood, it has been outweighed by other factors," says ASSOCOM.

"Recent negative factors which have contributed to the small decline in business confidence include: [quotation marks as received]

--the end of the rise in the value of the rand against the dollar;

--followed by a decline in the rand's external value in the second half of March;

--a fall in real imports to below the level reached 3 years ago;

--an interruption in the fall of short term interest rates;

--and further reductions in real retail sales, including motor vehicles.

Initially, the 1986 budget had a favourable impact on the business mood, which was, however, tempered by the realisation that the budget was more of a neutral than of a stimulatory nature.

It is clear that economic recovery, will, therefore, be gradual and slow, and that the economy will remain vulnerable to setbacks for the time being.

ASSOCOM warns: "The economy is not yet out of the woods. The BCI for March 1986 is still 17 percent below the base year 1983."

"There are signs of economic recovery, and we must be ready to regard as true portents any faint indications we can discern.

"The small hiccup in the BCI may be a temporary setback, but it confirms that the level of business confidence should not be taken for granted."

The monthly BCI (1983 equals 100) 1985-6

	<u>1985</u>	<u>1986</u>
January	78.6	81.9
February	83.3	85.5
March	79.1	83.0
April	76.1	
May	77.9	
June	81.0	
July	77.9	
August	76.9	
September	78.2	
October	78.0	
November	80.6	
December	81.1	

Average for the year: 79.1

Up to and including October 1985, the monthly BCI fluctuated at a low level, influenced by the various financial, economic and socio-political factors.

As from November 1985, the index started to register a continuous albeit small increase, which continued in January and February 1986 and was the result of a number of positive developments over that period, such as:

- the announcement of Mossel Bay oil project,
- early repayment of the 1979 loan levy,
- reductions in the commercial banks prime rates,
- a gradual recovery of the financial and commercial rand,
- the reduction in the petrol price by nearly 10 percent and,
- the "Leutwieler" agreement between SA and international banks regarding to the termination of the moratorium called by SA on portion of its foreign debt.

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CSO: 3400/167

SOUTH AFRICA

#### COUNTRY'S TRADE SURPLUS INCREASES IN FEBRUARY

MB021544 Johannesburg SAPA in English 1526 GMT 2 Apr 86

[Text] Johannesburg, 2 April SAPA--South Africa's trade surplus widened to R938.3 million in February from R729.1 million in January this year, according to the Trust Banks weekly rand report.

Exports fell to R2.9 billion in February from R3.9 billion in January, while imports dropped to R2.00 billion from R2.86 billion.

Total exports for the first 2 months of this year were R6.53 billion and total imports were R4.86 billion.

This gives SA a surplus of R1.67 billion (until February this year) against R1.37 billion in the same period last year. This should still have a positive effect on SA financial markets.

The recent relief by the reserve bank to cut banks cash reserve requirements for short-term liabilities from 8 percent to 5 percent should not have a negative impact on the positive outlay of the trade surplus as it would only have a minimal effect on credit creation.

This cut in cash reserve requirements lowered the costs of banks by allowing them to switch cash into interest-earning liquid assets.

"We should therefore see an increase in the demand for the higher interest earning liquid assets," says Trust Bank.

The rand remained stable at a level of between 46-47 U.S. cents the past week.

A sharp drop in the gold price as the oil price fell on international markets left the rand under pressure. Confirmation by the reserve bank during last week of a gold swap to bolster foreign exchange reserves for the partial debt repayment on 15 April allayed fears and prevented any further weakening of the rand.

The rand opened higher today at 0.4675/85 U.S. cents against 0.4590 U.S. cents last week Wednesday.

"We expect the rand to remain stable for the time being as the debt repayment has a dampening effect on any upward potential of the rand," says the bank.

Money market rates moved lower in reaction to the cut in cash requirements by the reserve bank and the overall liquidity situation.

Liquidity in the market broadened considerably as the shortage in the market narrowed to R1.33 billion against R2.24 billion last week.

The key 90-day liquid BA rate was fixed lower at 12.25 percent against 12.45 percent last Wednesday.

Rates could show a downward trend as the liquidity in the market could ease further later this month due to government spending and considering the impact the cut in cash requirements could have.

Capital market yields edged lower despite a lower gold price and stable rand.

The RSA 13 percent 2004 traded at 17.40 percent, while the ESCOM [Electricity Supply Commission] 11 percent 2009 traded at 18.33 percent in early morning compared to 17.50 percent and 18.31 percent last week.

The market is currently affected by the widening in liquidity and the cut in cash requirements and as a result long-term rates could move downwards.

Deposit rates (percentages):

call 12.75  
32 days 12.00  
60 days 12.25  
88 days 12.50  
prime 15.5

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CSO: 3400/1467

SOUTH AFRICA

## PWV AREA FACING CRITICAL WATER SHORTAGE

Johannesburg THE STAR in English 2 Apr 86 p 17

[Article by Kym Hamilton]

[Text]

The PWV area is facing its most critical water shortage and there is little likelihood of any immediate relief.

For the eighth successive year, the rainy season is ending with runoff well below average. This is the longest period recorded by the Department of Water Affairs.

Normally, only about nine percent of the total rainfall reaches the dams and reservoirs. Heavy flood-type storms are needed to create runoff conditions. Instead of the average of seven such storms, there was only one this season — in October last year.

Since records were first kept in 1923 there have been several "dry" periods. The longest was in the 1940s when runoff was below average for five consecutive years.

### Critical Level

But, since 1978, runoff has been consistently below the 1 911 million cubic metres mark. Today, the major dams in the Vaal River system are at a critical level.

The Vaal River system is the country's most developed and complex water system and is the only water source for the PWV area's industries, mines, irrigation, and for the fuel and power generating stations in the Eastern Transvaal.

Grootdraai dam supplies water to the power stations and industries in the Eastern Transvaal.

The supply to Vaal and Bloemhof dams is supplemented from Sterkfontein dam which receives its water from the Tugela.

In the past 62 years, only the drought of the 1930s has caused so much concern. But runoff from 1930 to 1938 was double that of the past eight years.

Since then, water consumption has increased dramatically.

The Department of Water Affairs estimates water demands for 1986 at 2 600 million cubic metres. Of this 1 400 million cubic metres is needed for the urban and industrial sectors, 700 million cubic metres for irrigation, 300 million cubic metres for river losses and 200 million cubic metres for reservoir evaporation.

Since 1980, water resources have declined progressively from 3 900 million cubic metres to about 1 200 million cubic metres.

Latest figures indicate that the predicted volume of the system is lower than at any time in the past.

Dr C P R Roberts, manager of the department's scientific services, said that demands exceeded the drought inflows and the water transfers from other catchment areas.

Although the good rains of the past few months had alleviated the position of farmers and led to the lifting of Drought Relief Aid to farmers from yesterday, the dams were still almost empty.

There was no correlation between annual rainfall and runoff, he said. Runoff was generated by large rainfall storms which saturated the soil and allowed water to flow overland into streams.

The country needed flood-producing rainfalls over a period of several days to improve the levels of the reservoirs significantly.

Without the major saturating storms, the conditions for runoff were non-existent and rain was absorbed by the soil.

The deterioration in water reserves has led to the implementation of stricter water controls from yesterday. The worst hit are farmers in the Vaalharts irrigation scheme who have had their

**annual 1983 water quota cut to 25 percent. About 45 000 ha of agricultural land is dependent on the scheme which is served by Bloemhof dam.**

A 30 percent restriction, first imposed in April 1983 in the urban and industrial areas, has not been changed as normal growth has meant an effective cut of 39 percent in the 1983 quota.

The position will be reviewed in September.

Apart from water restrictions, several projects to increase water supplies had been undertaken by the department, Dr Roberts said.

These included the supply of irrigation water from the Orange River instead of the Vaal River in the Douglas area.

## **Tugela-Vaal project**

The transfer of water from Heyshope dam on the Assegai River, near Piet Retief, to the catchment of Grootdraai Dam was started in Au-

gust last year and had meant an extra 100 million cubic metres of water a year.

The Tugela-Vaal project would be completed by August this year and would mean an extra 190 million cubic metres a year, Dr Roberts said.

The Slang River-Zaaihoek dam project was expected to be completed by April 1988 and, although it was intended for use by the proposed Majuba power station near Volksrust, it would mean an extra 84 million cubic metres a year initially.

Dr Roberts said that projects undertaken by the Rand Water Board and Pretoria Municipality were expected to be in operation by July this year.

In the long term, negotiations were under way for the proposed Lesotho Highlands water project. The first phase would mean the transfer of 930 million cubic metres a year and, if approved, would be completed by about 1995.

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CSO: 3400/1466

SOUTH AFRICA

MOSSEL BAY GAS EXPLOITATION ENTERS FIRST MAJOR PHASE

Johannesburg THE CITIZEN in English 27 Mar 86 pp 1, 2

[Article by Brian Stuart]

[Text]

CAPE TOWN.—The State will spend R21.2 million this year on the first major phase in the exploitation of the gas finds off Mossel Bay.

This was announced yesterday by the Department of Mineral and Energy Resources and the Central Energy Fund.

Meanwhile, negotiations to finalise a contract for the "conceptual design" of the offshore portion of the Mossel Bay gas-to-liquid-fuel project were underway between Soekor and a member of the Murray and Roberts Group, Emso (Pty) Ltd.

It was also disclosed yesterday that the Minister of Mineral and Energy Affairs, Mr Danie Steyn, and his Director General, Dr Louw Alberts, have returned from a visit to West Germany and Britain where they discussed energy matters and the Mossel Bay project.

Sufficient gas was found near Mossel Bay to make a fuel-from-gas project feasible. But in view of the millions of rands that will be spent on developing the project, each step is being carefully researched by experts covering a vast range of specialisations.

On November 14 last year the State President, Mr P W Botha, announced that the Government had approved of a feasibility study for the gas processing plant near Mossel Bay.

As a result, a number of contractors were invited to tender for the concept development and the project management of the offshore development.

This would include a rig platform above the source of the gas.

Yesterday, Soekor announced that Emso (Pty) Ltd of the Murray and Roberts group had been invited to negotiate with

Soekor with a view to a contract for the design of the offshore portion of the project.

The development of the design is expected to take 12 months, including the gathering of design data and steps to ensure the most economical development methods.

A total of R21.3 million will be spent in 1986 on the offshore section of the project, said a statement issued yesterday by the Department of Mineral and Energy Resources and the Central Energy Fund.

This will cover the estimated cost of the design study and the special seismic recording of the area around the first gas find, seabed recordings to establish the route of the gas pipeline and the positioning of the first production platform.

An audit will be made of the gas reserves in the area.

The statement said Soekor wished to make

**the maximum use of local content in the design as well as in the construction of the production platform.**

"Studies in this connection have enjoyed high priority since the start of the project and further attention will be given in the following phase," said the statement.

Details of the progress made in the onshore planning of the project are expected soon.

A spokesman of the Department of Mineral and Energy Affairs, confirmed that while general energy matters had been discussed by Mr Steyn in

Europe, Mossel Bay's potential and development was raised.

The Cabinet has already approved in principle the development of the Mossel Bay fuel-from-gas project and there is said to be enormous local and international interest in the project.

The find could provide South Africa with an estimated 10 percent of its fuel needs and therefore have a major impact on the country's economy, by generating internal capital, creating new jobs, and saving millions of rands a year in foreign exchange.

Dr Alberts said yesterday the Cabinet had recently approved the following appointments to Soekor's Board of Directors for a term of three years ending on January 11, 1989:

Mr D R Vorster (chairman), Mr H V Hefer (vice-chairman), Dr P J van Zijl (managing director), Prof B J V Botha, Mr P J van Rooy, Mr L N J Engelbrecht and Dr D C Neethling.

A further appointment to fill the vacancy which still existed would be made in due course, Dr Alberts said.

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SOUTH AFRICA

MINING CHIEFS EXPECT HIGH INFLATION TO CONTINUE

Johannesburg THE CITIZEN in English 1 Apr 86 p 19

[Text]

THE full impact of the weak rand exchange rate has not yet manifested itself and a sustained high level of inflation can be expected the year ahead the chairmen of St Helena, Beatrix, Grootvlei, Marievale, Stilfontein and W R Cons say in their annual reports.

Ted Pavitt, chairman of BEATRIX says in his review the market price for gold in the long-term however will escalate sufficiently to compensate for inflation.

Beatrix plans to spend R24.1 million on capex this year of which the bulk is R15.4 million, will be on a new refrigeration unit.

Mr Pavitt says in ST HELENA's report the No 10 shaft, which is being sunk to exploit the

Ongegund area has reached a depth of 1 300m. The shaft will be sunk to a final depth of 1 370m. Four of the planned stations have been excavated and it is anticipated that sinking and equipping will be completed by the end of this year.

C R Netscher says in the annual report of MARIEVALE the future of the mine continues to be determined mainly by the exposure of payable reserves from limited development in the No 3 shaft area, as well as the availability of payable remnants within reasonable accessibility of working haulages. He says it is therefore essential working costs are kept within reasonable limits for the reserves to remain payable.

Mr Netscher says the future of GROOTVLEI still depends significantly on the rate at which the

mine continues to find payable ore reserves. For this reason the rate of development was maintained at a high level during the year.

W B Evans says in his review for STILFONTEIN a historically large amount of capital expenditure (R15 million) has been planned for this year. It is, however possible that parts of this capex programme will have to be deferred to the next or even later financial years.

In the report of WEST RAND CONS he says the feasibility study regarding the treatment of the north sand dump has indicated a pilot plant operation should be considered in order to check the viability of certain technical proposals, preparatory to embarking on this project.

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CSO: 3400/1457

18 April 1986

## SOUTH AFRICA

**ANGLO MINES WANTS JOBS OPEN TO ALL RACES**

Johannesburg THE STAR in English 29 Mar 86 p 6

[Text]

The opening of all jobs to suitably-qualified candidates of all races is a high priority throughout mines administered by Anglo American Corporation, says Mr EP Gush, chairman of Vaal Reefs, Western Deep Levels, Elandsrand, and Southvaal gold mines.

In his review for 1985, Mr Gush said only the "scheduled person" definition in the mines and works regulations prevented the possible implementation of merit-based manning in all disciplines in the industry.

For some years this had been the subject of discussion between the Chamber of Mines and the white miners' unions.

Unfortunately, he said, the Mine Workers' Union (MWU) had resisted attempts by the chamber to negotiate the securi-

ty of employment undertakings with white employees and formation of an industrial council to allay doubts for white union men.

"In accordance with its oft-stated intention to permit full black employee participation in the mining industry, the Government is now obliged to legislate change of definition with or without full union backing.

"This legislation must unequivocally remove discrimination from the regulations and be adopted as a priority during the current parliamentary session."

● The Chamber of Mines has declined to comment on Press reports that there has been a "breakthrough" in talks between it and white unions about scrapping job reservation, and job security for white miners.

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CSO: 3400/1456

SOUTH AFRICA

**GENCOR MINES BENEFIT FROM SLUMP IN RAND**

**Johannesburg THE STAR (Business) in English 1 Apr 86 p 13**

**[Article by Duncan Collings]**

**[Text]**

Messrs E Pavitt, W B Evans and C R Netscher, chairmen of the various gold mines in the Gencor group, all point to the benefits enjoyed by the gold mining industry caused by the slump in the rand.

However, they also say that the cost of imported and domestic goods have risen sharply and that this has had an adverse effect on the cost structure of the industry.

They feel that the full impact of the weak rand has still to be felt and that a sustained high level of inflation can be expected in the year ahead.

All the chairmen highlight the fact that the mining industry is the last in South Africa to retain job reservation in the guise of the term "scheduled person" and express the hope that this will be removed during the current parliamentary session.

Writing in the annual report of St Helena, Mr Pavitt says that depletion of the higher grade areas at No 2 shaft coupled with a marginal increase in Leader Reef mined has resulted in a decrease in average yield from 5.4 grams a ton in 1984 to 5.2 grams in 1985.

This trend, he says, was offset by an increase in tonnage milled to maintain gold production at 1984 levels. It is planned to maintain grade and tonnage milled at present levels for 1986.

As far as Beatrix is concerned, Mr Pavitt says that the mine and therefore the company's future prospects are largely dependent on the performance of the gold price in rand terms and the rate at which working costs escalate over the life of the mine.

**VULNERABLE TO INFLATION**

He says in the Beatrix annual report that despite the volatility of the gold price and the effects of currency fluctuations over the past few years it is believed that the market price in the long-term will escalate sufficiently to compensate for inflation to maintain income in present terms.

Mr Evans says in the annual report of Stilfontein that with working costs now close to R17 000 a kilogram the mine is vulnerable to inflation and low gold prices.

It has limited higher grade areas available to provide a buffer against such circumstances. Therefore the policy of hedging the majority of gold production on the futures market at times of higher rand prices will be continued, as permitted by exchange control regulations.

Mr Evans makes the same comments in the West Rand Cons annual report where working costs now exceed R20 500 a kilogram.

Writing in the Marievale annual report Mr Netscher says that the future of the mine continues to be determined mainly by the exposure of payable reserves from limited development in the No 3 shaft area, as well as the availability of payable remnants within reasonable accessibility of working haulages.

"It is therefore essential," he says "that working costs are kept within reasonable limits for those reserves to remain payable."

As far as Grootvlei is concerned, Mr Netscher says in the annual report that the future of the mine depends significantly on the rate at which it continues to find payable ore reserves.

All three chairmen mention that from December 9 last year the Reserve Bank commenced paying the mines for all gold bullion in rands instead of the previous 50 percent in dollars and 50 percent in rands.

They all feel that this change in policy will have no material effect on the earnings of the companies of which they are chairman.

**The effects of the fall in the value of the rand are**

dramatically illustrated by this table.

<b>St Helena</b>	
Gold price received \$316 (\$360)	down 12.2%
Gold price received R22 570 (R16 772)	up 34.6%
Earnings a share 472c (321c)	up 46.9%
<b>Stilfontein</b>	
Gold price received \$347 (\$364)	down 4.7%
Gold price received R22 280 (R16 891)	up 31.9%
Earnings a share 276c (338c)	down 18.3%
<b>Marievale</b>	
Gold price received \$315 (\$360)	down 12.5%
Gold price received R22 081 (R17 023)	up 29.7%
Earnings a share 68c (57c)	up 21.0%
<b>Grootvlei</b>	
Gold price received \$315 (\$362)	down 13.0%
Gold price received R22 340 (R16 919)	up 32.0%
Earnings a share 185c (167c)	up 10.9%

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CSO: 3400/1456

SOUTH AFRICA

## GENCOR EXAMINES FEASIBILITY OF SYNFUEL PROJECT

Johannesburg THE CITIZEN in English 1 Apr 86 p 4

[Article by Andrew Thomson]

[Text]

THE South African mining group, Gencor is again examining the feasibility of a R1 billion project to extract petrol and diesel fuel from torbanite, an oil-bearing material resembling coal.

The head of Gencor's coal division, Mr Graham Thompson, told The Citizen yesterday that the group had already established the feasibility of the project, but had agreed to an independent study for the benefit of the Central Energy Fund.

The study is being conducted by Lurgi of Germany and Process Plant of South Africa, and is expected to reach completion within six months.

Mr Thompson said there was no reliable estimate of torbanite deposits in South Africa, adding that there were many thin seams in South Afri-

ca's coal-mining areas which could not be viably exploited.

He said the process of "retorting" in order to extract the oil from torbanite relied upon the material being pure, and the inclusion of coal would retard the process.

He said the extraction of oil from torbanite was unlike the Sasol process of extracting oil from coal, pointing out that the process had been successfully practised long before Sasol came into operation, at the Satmar colliery near Breyten which closed in about 1950.

Mr Thompson said torbanite yielded greater quantities of oil than did coal, with the important advantage that far higher yields of diesel fuel could be achieved. The Sasol process yields mainly petrol, with just a small amount of diesel as a by-product. Oil extracted

from torbanite can be produced in a variety of grades.

The chief deposits of torbanite in South Africa are in the Eastern Transvaal and the Orange Free State. Gencor is unwilling to disclose where it plans to sink its sample pit if the viability of the project is confirmed, but a technical publication has suggested that the site is probably north of Evander in the south-eastern Transvaal.

If it gets the go-ahead, Gencor will operate a pilot plant to process a sample quantity of torbanite before investing between R500 million and R1 000 million in the construction of a full-scale synfuel plant.

Mr Thompson declined to estimate how long it might be before the first barrel of torbanite fuel flowed from the pipeline, except to say it would be "quite a long time".

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CSO: 3400/1457

SOUTH AFRICA

BRIEFS

PFP: PARTY OPPOSES DISINVESTMENT--Johannesburg, 3 April SAPA--Mr Harry Schwarz, MP for Yeoville and PFP [Progressive Federal Party] spokesman on finance, today said his party was opposed to disinvestment in South Africa and said opponents of apartheid "should encourage job creation investment in our country and not disinvestment." Mr Schwarz's comments came in the wake of yesterday's call by Bishop Desmond Tutu's for intensified economic sanctions against the South African Government. In a statement to the press, Mr Schwarz said: "Investment for job creation for the vast pool of unemployed and the ever-increasing numbers of work seekers is an essential ingredient in a South Africa in which there are not only human rights for all but also economic justice. "The nature of the society after apartheid is as important as the abolition of apartheid. Those who are committed to peaceful change and want the post-apartheid society to have free-world values should encourage job creation investment in our country and not disinvestment. [Text] [Johannesburg SAPA in English 1358 GMT 2 Apr 86 MB] /12232

DEBT REPAYMENT--Cape Town--South Africa recently concluded a gold swap agreement to raise dollars for repayment of up to \$400 million of foreign debt on April 15, Reserve Bank Governor Gerhard de Kock told Reuters. "What we've done now is in the nature of a bridging financial arrangement," Dr De Kock said, without giving details of the swap. "As part and parcel of the (debt) standstill arrangements we of course made the necessary preparations to be in the position to repay a large amount on the 15th of April if necessary." A week ago South Africa and its major creditor banks announced amendments to a rescheduling agreement on some \$14 billion of foreign debt frozen by South Africa last year. Under the amended agreement South Africa said it would release a 5 percent repayment in respect of all debt maturing before April 15 this year in one lump sum, estimated at up to \$400 million on April 15. In the case of debt maturing between April 15 this year and June 30, 1987, the 5 percent put by Dr De Kock at less than \$100 million will be released on the original maturity dates of the relevant debt.--Reuter [Text] [Johannesburg THE CITIZEN in English 1 Apr 86 p 19] /9317

TRADE FIGURES--South Africa's trade surplus widened to R938.3 million in February after narrowing to R729.1 million in January and compares with a R939.4 million surplus in February 1985, Customs and Excise figures show. Exports fell to R2,94 billion in February from R3,59 billion in January and imports to R2,00 billion from R2,86 billion, bringing total exports for the first two months of this year to R6,53 billion and imports to R4,86 billion for a surplus of R1,67 billion versus R1,37 billion in the same year-ago period.--Reuter [Text] [Johannesburg THE CITIZEN in English 27 Mar 86 p 4] /9317

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